

Company Registration Number: 08190187 (England & Wales)

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Hayday J Moore V Pillinger-Cork (resigned 31 August 2022) M Heathcote H Williamson-Cole
Trustees	S Hayday, Chair of Trustees J Moore (resigned 31 August 2022) J Valin E Buckley W Golinska D Rix (retired 31 August 2022) M Gaweda (appointed 1 September 2022) S Tyler S Taylor A Martinowsky K Travers (appointed 1 September 2021) S Moodliar (appointed 18 May 2022) J Read (appointed 1 September 2022)
Company registered number	08190187
Company name	Southfields Multi Academy Trust
Principal and registered office	333 Merton Road London SW18 5JU
Chief executive officer	Jacqueline Valin
Senior management team	J Valin, MAT CEO/Principal Southfields Academy M Gaweda, Co-Headteacher Linden Lodge School S Norris, Co-Headteacher Linden Lodge School W Golinska, Headteacher Southfields Academy S Elson, MAT Chief Operating Officer M Dunn, MAT Director of HR
Independent auditors	Landau Baker Limited Chartered Accountants Mountcliff House 154 Brent Street London NW4 2DR
Bankers	Lloyds Bank 34 Morgate London EC2R 6PL

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Solicitors

Winckworth Sherwood
Minerva House
5 Montague Close
London
SE1 9BB

SOUTHFIELDS MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year / period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

In 2020/21, the trust operated one secondary academy and one special school, both in Wandsworth. Southfields Academy is an academy for students aged 11 to 19 and serves a large catchment area in south London. Southfields Academy had a roll of 1,313 in the school census in October 2022.

Linden Lodge School joined the Southfields Multi Academy Trust on 1 September 2018. Linden Lodge School provides a high quality educational experience for visually impaired pupils, including those who are multi-disabled visually impaired. Linden Lodge is recognized as a specialist Regional Centre for children aged between two and nineteen. The school also supports pupils with profound and multiple learning difficulties. Linden Lodge School is funded for 153 places.

Structure, governance and management

a. Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Southfields Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Southfields Multi Academy Trust and the two schools with the Trust operate under their own names: Linden Lodge School and Southfields Academy.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

c. Method of recruitment and appointment or election of trustees

The management of the Academy is the responsibility of the trustees who are elected and co-opted under the terms of the Memorandum of articles of Association and funding agreement as follows:

- The MAT Chief Executive Officer
- Up to 9 trustees, appointed by the members
- A secondary school headteacher from within the Trust
- A special school headteacher from within the Trust
- A primary school headteacher from within the Trust (when appropriate)

The term of office for any trustee is 4 years. The MAT CEO's term of office runs parallel with her term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Policies adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

e. Organisational structure

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The board of trustees has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the trust and monitor its progress towards these objectives.

The trustee board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The CEO is directly responsible for the day to day running of the trust and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the trusts by use of budgets and making major decisions about the direction of the trust, including capital expenditure and senior staff appointments.

The Chief Executive assumes the accounting officer role.

f. Arrangements for setting pay and remuneration of key management personnel

The Personnel Committee is responsible for the implementation of the Trust Pay Policy and this includes carrying out annual pay reviews for the CEO/Principal, Headteachers of schools within the Trust (currently Linden Lodge School and Southfields Academy) and other members of the Senior Leadership Teams for each academy.

Trade Union Facility Time

There was no Trade Union Facility Time with the Trust in 2021-22.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

g. Related parties and other connected charities and organisations

Southfields Academy was the founding member of the Southfields Multi Academy Trust which is a separate Trust where Southfields Academy and Linden Lodge School are the two members. The Trust undertakes educational support activities.

Southfields Academy has relationships with other charities, as named below, with which it cooperates in the pursuit of charitable activities:

nursery@aspire	Charity No. 1149367
aspire@southfields	Charity No. 1147877
Friends of Southfields Academy	Charity No. 0802055

Linden Lodge School has a strong relationship with the charity below that exists to raise funds for Linden Lodge School.

The Linden Lodge Charitable Trust Charity No. 1168169

h. Engagement with employees (including disabled persons)

As a Trust we continue to work with our employees to take on board and address the views or concerns raised by the workforce. This is carried out in a variety of ways, focus groups, staff voice and questionnaires.

The results of the most recent staff survey are shown below:

- I am a proud member of staff at this school – 76.3% strongly agree or agree
- This school has a culture that encourages calm and orderly conduction and is aspirational for all pupils – 84.2% strongly agree or agree
- The school challenges all pupils to make at least good progress – 94.73% strongly agree or agree
- The school is well led and managed – 65.78% strongly agree or agree
- I feel well supported in this school – 63.15% strongly agree or agree
- Leaders and managers are considerate of my wellbeing – 73.67% strongly agree or agree
- I enjoy working at this school – 86.84% strongly agree or agree

We are a disability confident committed employer (level 1) and strive to become a disability confident employer (level 2). We have a number of staff with disabilities and are proud of the diversity we have within the workforce.

i. Engagement with suppliers, customers and others in a business relationship with the Academy

The trust is aware of the need to foster good business relations with suppliers, customers and other stakeholders. Suppliers will be paid on time and will be appointed fairly. Customers will receive the service that they have paid for. Other stakeholders are particularly important in an education setting and will include students, parents, local authorities and government departments. Trustees will always have regard for these stakeholders and they will form the backdrop to all discussions within the trust.

Objectives and activities

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

a. Objects and aims

The principal object and activity of the Southfields Multi Academy Trust is to provide an umbrella organization that supports the very different educational aims of Linden Lodge School and Southfields Academy.

The aim of Southfields Academy to provide a broad and balanced education for pupils of all abilities in the south London area and beyond. The trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the multi academy trust.

Linden Lodge School has now joined the Southfields Multi Academy Trust and the Trust has followed the same aims and objectives in respect of Linden Lodge School with reference to the particular circumstances of Linden Lodge School's characteristics as a special school that serves the south-east England region.

In accordance with the articles of association, the multi academy trust has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government is part of the wider 'Master Funding Agreement' between the Company and the Secretary of State and 'Supplemental Funding Agreements' for each Academy.

The Scheme of Government specifies, amongst other things, that the trust will be at the heart of their community promoting community cohesion and sharing facilities; the basis for admitting students to the academies, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

b. Public benefit

In setting the objectives, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

As a trust we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- o Raising money for local, national and international charities.
- o Inclusive sports programmes that provide sporting activities to local primary and special schools.
- o Support of local primary schools in a number of academic areas.
- o Supporting parents of children with special needs.
- o Teaching School status.
- o Offering facilities to local community organisations.

Strategic report

Achievements and performance

Southfields Academy created the Southfields Multi Academy Trust in February 2017.

Linden Lodge School joined the MAT on 1 September 2018.

The tables below under Key Performance Indicators give an indication of the educational performance for each school in 2021-22.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Linden Lodge School

School Effectiveness

Linden Lodge is continually committed to raising standards. We know this because of the achievement made resulting from individualised programmes built on careful multi-disciplinary assessment and practice set within 4 pathways of pre-formal, semi-formal, formal and MSI curricula which provide a broad and culturally rich experience. We are a specialist provider of education for pupils with vision and multi-sensory impairment.

- Progress Headlines (Summer 2022): 61% of pupils made expected progress and 39% made exceeding progress; 63.5% of pupils qualified for Pupil Premium made expected progress and 36.5% made exceeding progress.

- a) In Early Years –75% of pupils made expected progress and 25% made exceeding progress
- b) In key stage 1 – 43.8% of pupils made expected progress and 56.3% made exceeding progress
- c) In key stage 2 – 52.2% of pupils made expected progress and 47.8% made exceeding progress
- d) In key stage 3 – 50% of pupils made expected progress and 50% made exceeding progress
- e) In key stage 4 – 72.7% of pupils made expected progress and 27.3% made exceeding progress
- f) In key stage 5 – 71.9% of pupils made expected progress and 28.1% made exceeding progress

- Progress Headlines 2021-22 by Curriculum Pathway

	EYFS	Pre-formal	Semi-formal	MSI	Formal	6th Form
Exceeded	28.6%	37.8%	60.5%	55%	29.6%	11.1%
Expected	71.4%	62.2%	39.5%	45%	70.4%	88.9%
Below Expected	0%	0%	0%	0%	0%	0%

- Exam results 2021-2022

KS5 Results

GCSE	Entries	5	4	3	2	1
Drama	4				4	
Mathematics	1				1	
Religious studies	3					

BTEC	Entries	L2	L1
Home cooking skills	3	1	2

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Functional skills	Entries	L2			L1		
English	5	Reading	Writing	Speaking	Reading	Writing	Speaking
				1	2	2	1

<i>Entry Level Certificate</i>	Entries	EL3	EL2	EL1
Personal and social development	1	1		
Personal Progress	23			23
Functional Skills Mathematics	4	1	3	
ICT Users	1		1	
Information and Communication Tech	2			2
Science	2	2		

KS4 Results

GCSE	Entries	English Spoken Language	5	4	3	2	1
English Language	1	<i>Distinction</i>			1		

Functional skills	Entries	L2			L1		
English	6	Reading	Writing	Speaking	Reading	Writing	Speaking
			1		3	3	3

<i>Entry Level Certificate</i>	Entries	EL3	EL2	EL1
Art and Design	1	1		
Humanities	3	3		
Science	2	2		
Information and Communication Tech	2			2

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

KS3 Results

Functional skills	Entries	L2			L1		
		Reading	Writing	Speaking	Reading	Writing	Speaking
English	2				1	2	2

<i>Entry Level Certificate</i>	Entries	EL3	EL2	EL1
Humanities	1	1		
Information and Communication Tech	1			1

Southfields Academy

	KS4 2022		
	Target	Actual	Difference
Progress 8	0.00	+0.42	+0.42
Attainment 8	39.3	47.55	+8.25
% 9 to 4 in English and mathematics	60%	65%	+5%
% 9 to 5 in English and mathematics	42%	50%	+8%
% EBacc 9 to 4	10%	8.4%	-1.6%
Cohort		135	

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

c. Promoting the success of the company

The trust has due regard to the need to maintain a high reputation for the trust. Keeping a high reputation will ensure the on-going viability of the trust as it will attract more students and funding. The trust will always be mindful of its reputation in the local community as it is vital for schools to be at the centre of their communities.

Financial review

During the period, ESFA/LA grants received totaled to £21,865,821. Other income included within restricted funds totaled to £1,584,471. Restricted fund expenditure totaled to £24,784,079.

Most of Southfields Academy's, and a smaller proportion of Linden Lodge School's income is obtained from the

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12 month period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of financial activities.

The majority of Linden Lodge's income is received from local authorities in the form of top-up funding for named students. Southfields Academy receives a lower amount from local authorities. Local authority funding is shown as restricted funds in the Statement of financial activities.

Linden Lodge School, as a special school, is mainly reliant on funding from local authorities. This funding can be volatile and cash flow can be a risk for all special school academies as top-up funding is paid on invoice. To mitigate the cash flow risk, Linden Lodge School has employed a specialist in special needs recoupment.

The MAT CEO and COO have continued to review costs and significant savings have been found in staffing, and non-staffing areas such as energy utilities, cleaning, paper procurement, photocopying, telecoms and waste disposal. This will continue to be an on-going process.

a. Reserves policy

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (ie is 'free')

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £82,254,458. This balance includes unrestricted funds (free reserves) of £Nil, which are considered appropriate for the Academy Trust, and restricted funds of £8,968,340 and a pension deficit of £Nil.

The amount of designations made in relation to the unrestricted reserves totals to £8m

Relaying of 3G pitch at Southfields Academy	£1.5m
Swimming pool refurbishment at Southfields Academy	£0.5m
School House/Nursery build at Southfields Academy	£2m
IT refurbishment (both schools)	£1m
Energy survey outcome (both schools)	£1m
Future unfunded pay awards (both schools)	£1m

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TRUSTEES' REPORT (CONTINUED)
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b. Investment policy

It should be noted that the Multi Academy Trust has substantial power with regards to investments due to cash balances held. Investment policies are determined at academy level, which is agreed by the local Governing Body. This ensures the level of funds the Academy holds can cover any immediate expenditure, without exposing the Academies to additional risk. The only investments held by Southfields Academy are in safe deposit accounts. Trustees have agreed a Liquidity Policy that states that the equivalent of one month's salary should be held in a current account so as to be immediately available. This policy has also been applied to Linden Lodge School. Linden Lodge School does not currently hold any funds on deposit.

c. Principal risks and uncertainties

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Multi Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, safeguarding and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Multi Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and students.

Fundraising

Linden Lodge School raises funds through a charity called The Linden Lodge Charitable Trust. The Trust raises significant amounts of money which it then passports to Linden Lodge School for specific projects. Linden Lodge School and The Linden Lodge Charitable Trust have also jointly procured a professional fundraiser to raise sums of money for specific projects such as a new playground and library.

Southfields Academy raises funds through a charity called Friends of Southfields Academy. A fundraising event for former students was held in 2022.

Plans for future periods

Linden Lodge School joined the Southfields Multi Academy Trust on 1 September 2018. The Trust has no immediate plans to add further schools though it will continue to talk to interested, local schools, if they wish to explore their options regarding academy status. The overall aim will be to ensure that the Trust is sustainable and capable of fully supporting all of its member schools.

The Trust will continue to pursue procurement opportunities that offer value for money and will seek, wherever practical, to find procurement savings across the Trust.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Funds held as custodian on behalf of others

The Academy Trust and / or its trustees did not act as custodian trustee during the current or previous period.

Disclosure of information to auditors

Insofar as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 30 November 2022 and signed on its behalf by:



S Tyler
Trustee

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GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Southfields Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Southfields Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of trustees has formally met 3 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Hayday, Chair of Trustees	3	3
J Moore	1	3
J Valin	3	3
E Buckley	1	3
W Golinska	3	3
D Rix	3	3
S Tyler	3	3
S Taylor	3	3
A Martinowsky	3	3
K Travers	2	3
S Moodliar	1	1

The Policy, Finance and Premises committee is a sub-committee of the main board of trustees. The meetings are held as part of the MAT Trustee Board. One of its key roles is to ensure the Trust is following the ESFA's funding regulations and guidance. This committee incorporated the audit committee function for the Trust.

Trustees received financial reports six times during the year 2021-22 as well as for each of the three MAT Trustee Board meetings.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the chief executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Continuing to review staffing levels and only filling vacancies where it was necessary for educational, operational or safeguarding reasons.
- Continuing to review all non-staffing contracts as they fall due.
- Reviewing means of increasing income to both schools in the trust.
- Reducing the use of Agency staff in Linden Lodge School

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Southfields Multi Academy Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The board of trustees has decided to buy-in an internal audit service from Academy Audit

The internal auditor's / reviewer's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- Academy Audit carried out termly reviews and covered the following areas:
- Governance, Financial Management & Compliance.
- Banking.
- Payroll.
- Fixed assets.
- Procurement.
- Special Payments.
- Management Accounts.
- Leases.
- Other areas as appropriate.

On a termly basis, the Chief Operating Officer and MAT Finance Manager reports to the board of trustees, through the finance and operations committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

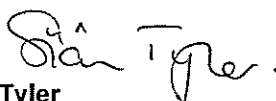
Review of effectiveness

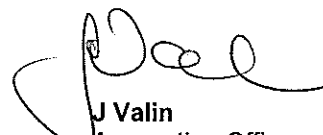
As accounting officer, the chief executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor / reviews;
- the work of the external auditor;
- the financial management and governance self-assessment process; or
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the finance and operations committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 30 November 2022 and signed on their behalf by:


S Tyler
Trustee


J Valin
Accounting Officer

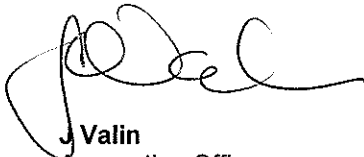
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Southfields Multi Academy Trust I have considered my responsibility to notify the Academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the Academy board of trustees are able to identify any material irregular or improper use of all funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



J Valin
Accounting Officer
Date: 30 November 2022

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHFIELDS MULTI ACADEMY TRUST**

Opinion

We have audited the financial statements of Southfields Multi Academy Trust (the 'academy') for the year ended 31 August 2022 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Academy's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

SOUTHFIELDS MULTI ACADEMY TRUST

(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

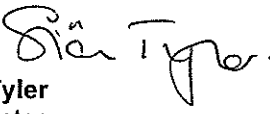
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 30 November 2022 and signed on its behalf by:


S Tyler
Trustee

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHFIELDS MULTI ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the trustees (who are also the directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHFIELDS MULTI ACADEMY TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.
- We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHFIELDS MULTI ACADEMY TRUST (CONTINUED)**

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Jake Lew (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

30 November 2022

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
SOUTHFIELDS MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 April 2013 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Southfields Multi Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Southfields Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Southfields Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Southfields Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Southfields Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Southfields Multi Academy Trust's funding agreement with the Secretary of State for Education dated 31 August 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy's income and expenditure.

The work undertaken to draw to our conclusion includes:

- review of management reporting documents.
- review of Trustees/Governors meeting minutes.
- confirming compliance with the Academy Trust's Scheme of Delegation.
- compliance with delegated authorities.
- consideration of whether any personal benefit has been derived from the Academy Trust's transactions by staff or related parties.
- adherence to tendering policies.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
SOUTHFIELDS MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(CONTINUED)**

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Landau Baker Limited

Reporting Accountant

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

Date: 30 November 2022

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and capital grants	3	900	39,962	40,862	371,696
Other trading activities	5	1,533,975	-	1,533,975	1,164,211
Investments	6	48,866	-	48,866	16,592
Charitable activities	4	21,865,821	-	21,865,821	21,283,979
Teaching schools		730	-	730	48,534
Total income		23,450,292	39,962	23,490,254	22,885,012
Expenditure on:					
Charitable activities	8	24,780,697	1,329,156	26,109,853	24,716,532
Teaching schools		3,382	-	3,382	282,972
Total expenditure		24,784,079	1,329,156	26,113,235	24,999,504
Net expenditure		(1,333,787)	(1,289,194)	(2,622,981)	(2,114,492)
Transfers between funds	17	(166,481)	166,481	-	-
Net movement in funds before other recognised gains/(losses)		(1,500,268)	(1,122,713)	(2,622,981)	(2,114,492)
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	24	10,592,000	-	10,592,000	(71,000)
Net movement in funds		9,091,732	(1,122,713)	7,969,019	(2,185,492)
Reconciliation of funds:					
Total funds brought forward		(123,392)	74,408,831	74,285,439	76,470,931
Net movement in funds		9,091,732	(1,122,713)	7,969,019	(2,185,492)
Total funds carried forward		8,968,340	73,286,118	82,254,458	74,285,439

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 28 to 49 form part of these financial statements.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08190187

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	73,286,118	74,408,831
		73,286,118	74,408,831
Current assets			
Debtors	15	1,071,496	786,384
Cash at bank and in hand		9,353,600	9,237,926
		10,425,096	10,024,310
Creditors: amounts falling due within one year	16	(1,456,756)	(1,558,702)
		8,968,340	8,465,608
Net current assets		8,968,340	8,465,608
Total assets less current liabilities		82,254,458	82,874,439
Net assets excluding pension asset / liability		82,254,458	82,874,439
Defined benefit pension scheme asset / liability	24	-	(8,589,000)
Total net assets		82,254,458	74,285,439
Funds of the Academy			
Restricted funds:			
Fixed asset funds	17	73,286,118	74,408,831
Restricted income funds	17	8,968,340	8,465,608
		82,254,458	82,874,439
Restricted funds excluding pension asset	17	82,254,458	82,874,439
Pension reserve	17	-	(8,589,000)
		82,254,458	74,285,439
Total restricted funds	17	82,254,458	74,285,439
Unrestricted income funds	17	-	-
Total funds		82,254,458	74,285,439

The financial statements on pages 24 to 49 were approved by the trustees, and authorised for issue on 30 November 2022 and are signed on their behalf, by:

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08190187

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022



S Tyler
Trustee

The notes on pages 28 to 49 form part of these financial statements.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	19	282,155	1,133,676
Cash flows from investing activities			
Cash flows from investing activities	21	(166,481)	3,144
Cash flows from financing activities			
Cash flows from financing activities	20	-	(72,000)
Change in cash and cash equivalents in the year		115,674	1,064,820
Cash and cash equivalents at the beginning of the year		9,237,926	8,173,106
Cash and cash equivalents at the end of the year	22, 23	<u>9,353,600</u>	<u>9,237,926</u>

The notes on pages 28 to 49 form part of these financial statements

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the Academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

• **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy has provided the goods or services.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

• **Charitable activities**

These are costs incurred on the Academy's educational operations, including support costs and costs relating to the governance of the Academy apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Depreciation is provided on the following basis:

Freehold property	-	2% straight-line basis
Long-term leasehold property	-	10% straight-line basis
Furniture and equipment	-	33% straight-line basis
Plant and machinery	-	20% straight-line basis
Computer equipment	-	33% straight-line basis
Motor vehicles	-	10% straight-line basis

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.8 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.9 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.10 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

SOUTHFIELDS MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.11 Fund accounting

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	900	-	900	94,979
Grants	-	39,962	39,962	276,717
	<u>900</u>	<u>39,962</u>	<u>40,862</u>	<u>371,696</u>
Total 2021	<u>-</u>	<u>371,696</u>	<u>371,696</u>	

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4. Funding for the Academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grants	11,150,685	11,150,685	10,287,506
Other DfE/ESFA grants			
Pupil Premium	430,718	430,718	412,132
Others	190,413	190,413	681,824
	<u>11,771,816</u>	<u>11,771,816</u>	<u>11,381,462</u>
Other Government grants			
Local Authority Grants	7,258,882	7,258,882	6,622,859
Other Government Grants	1,427,283	1,427,283	1,504,244
	<u>8,686,165</u>	<u>8,686,165</u>	<u>8,127,103</u>
Other income from the Academy's educational activities	1,407,840	1,407,840	1,299,700
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	137,960
Other DFE/ESFA Covid-19 funding	-	-	337,754
	<u>-</u>	<u>-</u>	<u>475,714</u>
	<u>21,865,821</u>	<u>21,865,821</u>	<u>21,283,979</u>
	<u><u>21,865,821</u></u>	<u><u>21,865,821</u></u>	<u><u>21,283,979</u></u>

5. Income from other trading activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Catering Income	135,598	135,598	80,227
Trips Income	15,871	15,871	3,648
Letting Income	348,441	348,441	321,128
Other Income	1,034,065	1,034,065	759,208
	<u>1,533,975</u>	<u>1,533,975</u>	<u>1,164,211</u>
	<u><u>1,533,975</u></u>	<u><u>1,533,975</u></u>	<u><u>1,164,211</u></u>

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6. Investment income

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	48,866	48,866	16,592

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational Activities:					
Direct costs	10,145,264	-	1,033,251	11,178,515	10,863,195
Allocated support costs	10,456,955	1,615,392	2,858,991	14,931,338	13,853,337
Teaching school	-	-	3,382	3,382	282,972
	<u>20,602,219</u>	<u>1,615,392</u>	<u>3,895,624</u>	<u>26,113,235</u>	<u>24,999,504</u>
Total 2021	<u>19,904,115</u>	<u>1,996,995</u>	<u>3,098,394</u>	<u>24,999,504</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational Activities	<u>11,178,515</u>	<u>14,931,338</u>	<u>26,109,853</u>	<u>24,716,532</u>
Total 2021	<u>10,863,195</u>	<u>13,853,337</u>	<u>24,716,532</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Staff Costs	9,840,977	9,840,977	9,634,172
Teaching Supply Costs	191,873	191,873	90,711
Staff Development and Training	100,853	100,853	63,677
Educational Supplies	308,898	308,898	446,424
Examination Fees	146,256	146,256	138,448
Teachnology Costs	287,290	287,290	232,361
Educational Consultancy	132,880	132,880	116,865
Other Direct Costs	169,488	169,488	140,537
	<u>11,178,515</u>	<u>11,178,515</u>	<u>10,863,195</u>

Analysis of support costs

	Educational Activities 2022 £	Total funds 2022 £	Total funds 2021 £
Pension Finance Costs	135,000	135,000	104,000
Staff Costs	7,376,772	7,376,772	6,807,080
Depreciation	1,329,156	1,329,156	1,229,390
Non Cash Pension Costs	1,868,000	1,868,000	1,437,000
Support Staff Supply Costs	1,405,574	1,405,574	1,935,152
Recruitment and Support	60,362	60,362	45,679
Maintenance of Premises and Equipment	835,504	835,504	726,873
Cleaning	395,210	395,210	404,839
Rent and Rates	97,612	97,612	107,584
Energy	332,188	332,188	499,100
Insurance	94,455	94,455	75,491
Security and Transport	40,060	40,060	39,160
Catering	305,233	305,233	209,980
Governance Costs	444,114	444,114	122,818
Other Support Costs	212,098	212,098	109,191
	<u>14,931,338</u>	<u>14,931,338</u>	<u>13,853,337</u>

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9. Net expenditure

Net expenditure for the year includes:

	2022 £	2021 £
Depreciation of tangible fixed assets	1,329,156	1,229,390
Fees paid to auditors for:		
- audit	7,193	9,950
- other services	5,000	4,870
	1,341,349	1,248,010

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	13,289,537	12,594,046
Social security costs	1,367,522	1,269,238
Pension costs	2,560,690	2,577,968
	17,217,749	16,441,252
Teaching supply costs	190,778	90,711
Non cash pension costs	1,868,000	1,437,000
Support staff supply costs	1,325,692	1,935,152
	20,602,219	19,904,115

b. Staff numbers

The average number of persons employed by the Academy during the year was as follows:

	2022 No.	2021 No.
Management	22	24
Teachers	145	143
Support	286	300
	453	467

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10. Staff (continued)

c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022 No.	2021 No.
In the band £60,001 - £70,000	8	8
In the band £70,001 - £80,000	6	7
In the band £80,001 - £90,000	3	3
In the band £110,001 - £120,000	1	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
In the band £210,001 - £220,000	1	1
	1	1

d. Key management personnel

The key management personnel of the Academy comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £2,195,679 (2021 - £2,455,634).

11. Central services

No central services were provided by the Academy to its academies during the year and no central charges arose.

12. Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

		2022 £	2021 £
J Valin	Remuneration	210,000 -	210,000 -
	Pension contributions paid	215,000	215,000
W Golinska	Remuneration	150,000 -	145,000 -
	Pension contributions paid	155,000	150,000
Deborah Rix	Remuneration	30,000 -	35,000 -
	Pension contributions paid	35,000	40,000
	Remuneration	125,000 -	125,000 -
	Pension contributions paid	130,000	130,000
		30,000 -	25,000 -
		35,000	30,000

During the year ended 31 August 2022, no trustee expenses have been incurred (2021 - £NIL).

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13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £380 (2021 - £378). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 September 2021	53,907,509	29,732,599	1,487,495	950,207	507,928	68,589	86,654,327
Additions	-	92,938	32,320	14,018	67,167	-	206,443
At 31 August 2022	<u>53,907,509</u>	<u>29,825,537</u>	<u>1,519,815</u>	<u>964,225</u>	<u>575,095</u>	<u>68,589</u>	<u>86,860,770</u>
Depreciation							
At 1 September 2021	9,020,302	505,380	1,487,495	910,725	274,505	47,089	12,245,496
Charge for the year	1,050,861	194,320	-	19,742	59,933	4,300	1,329,156
At 31 August 2022	<u>10,071,163</u>	<u>699,700</u>	<u>1,487,495</u>	<u>930,467</u>	<u>334,438</u>	<u>51,389</u>	<u>13,574,652</u>
Net book value							
At 31 August 2022	<u>43,836,346</u>	<u>29,125,837</u>	<u>32,320</u>	<u>33,758</u>	<u>240,657</u>	<u>17,200</u>	<u>73,286,118</u>
At 31 August 2021	<u>44,887,207</u>	<u>29,227,219</u>	<u>-</u>	<u>39,482</u>	<u>233,423</u>	<u>21,500</u>	<u>74,408,831</u>

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15. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	416,524	255,284
Other debtors	237,975	322,964
Prepayments and accrued income	416,997	208,136
	1,071,496	786,384

16. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	597,263	796,578
Other taxation and social security	357,108	335,592
Other creditors	147,864	271,777
Accruals and deferred income	354,521	154,755
	1,456,756	1,558,702
	2022	2021
	£	£
Deferred income at 1 September 2021	5,930	5,511
Resources deferred during the year	1,737	5,930
Amounts released from previous periods	(5,930)	(5,511)
	1,737	5,930

At the balance sheet date the academy trust was holding funds received in advance for Free School Meals of £1,737 (2021: £5,930 16-19 bursary income).

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17. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	8,465,608	11,363,125	(10,693,912)	(166,481)	-	8,968,340
Pupil Premium	-	430,718	(430,718)	-	-	-
Other ESFA Funding	-	190,413	(190,413)	-	-	-
LA and Other Government Grants	-	8,686,165	(8,686,165)	-	-	-
General Funds	-	2,779,871	(2,779,871)	-	-	-
Pension reserve	(8,589,000)	-	(2,003,000)	-	10,592,000	-
	<u>(123,392)</u>	<u>23,450,292</u>	<u>(24,784,079)</u>	<u>(166,481)</u>	<u>10,592,000</u>	<u>8,968,340</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds - all funds	<u>74,408,831</u>	<u>39,962</u>	<u>(1,329,156)</u>	<u>166,481</u>	<u>-</u>	<u>73,286,118</u>
Total Restricted funds	<u><u>74,285,439</u></u>	<u><u>23,490,254</u></u>	<u><u>(26,113,235)</u></u>	<u><u>-</u></u>	<u><u>10,592,000</u></u>	<u><u>82,254,458</u></u>

The specific purposes for which the funds are to be applied are as follows:

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	8,178,262	10,287,506	(10,000,160)	-	8,465,608
Pupil Premium	-	412,132	(412,132)	-	-
Other ESFA Funding	-	681,824	(681,824)	-	-
LA and Other Government Grants	-	8,127,103	(8,127,103)	-	-
General Funds	-	2,529,037	(2,529,037)	-	-
Other DfE/ESFA COVID-19 Funding	-	337,754	(337,754)	-	-
Catch Up Premium	-	137,960	(137,960)	-	-
Pension reserve	(6,977,000)	-	(1,541,000)	(71,000)	(8,589,000)
	<u>1,201,262</u>	<u>22,513,316</u>	<u>(23,766,970)</u>	<u>(71,000)</u>	<u>(123,392)</u>
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	<u>75,269,669</u>	<u>371,696</u>	<u>(1,232,534)</u>	<u>-</u>	<u>74,408,831</u>
Total Restricted funds	<u><u>76,470,931</u></u>	<u><u>22,885,012</u></u>	<u><u>(24,999,504)</u></u>	<u><u>(71,000)</u></u>	<u><u>74,285,439</u></u>

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Southfields Academy	9,326,003	8,872,828
Linden Lodge School	(357,663)	(407,220)
Total before fixed asset funds and pension reserve	<u>8,968,340</u>	8,465,608
Restricted fixed asset fund	73,286,118	74,408,831
Pension reserve	-	(8,589,000)
Total	<u><u>82,254,458</u></u>	<u><u>74,285,439</u></u>

The following academy is carrying a net deficit on its portion of the funds as follows:

Deficit

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17. Statement of funds (continued)

	Deficit
	£
	£
Linden Lodge School	(357,663)

Linden Lodge has carried forward a deficit from 2020/21 which was attributed to unbudgeted expenditure and agency staff and urgent building repairs.

These areas were scrutinised when setting the budgets for 2021/22 to ensure the budgets were sufficient.

The Academy is taking the following action to return the academy to surplus:

The Academy has taken action in 21/22 to generate a small in year surplus by increasing income by raising top-up fees and by having more stringent financial controls were in place, particularly around agency staff and premises spend.

It is expected that Linden Lodge School will breakeven or generate a small surplus in 2022/23.

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Southfields Academy	6,298,791	2,709,966	665,567	2,402,936	12,077,260	11,246,914
Linden Lodge School	3,846,473	7,746,989	356,044	965,313	12,914,819	12,726,200
Consolidation adjustments	-	-	-	(208,000)	(208,000)	(203,000)
Academy	10,145,264	10,456,955	1,021,611	3,160,249	24,784,079	23,770,114

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	73,286,118	73,286,118
Current assets	10,425,096	-	10,425,096
Creditors due within one year	(1,456,756)	-	(1,456,756)
Total	<u>8,968,340</u>	<u>73,286,118</u>	<u>82,254,458</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	74,408,831	74,408,831
Current assets	10,024,310	-	10,024,310
Creditors due within one year	(1,558,702)	-	(1,558,702)
Provisions for liabilities and charges	(8,589,000)	-	(8,589,000)
Total	<u>(123,392)</u>	<u>74,408,831</u>	<u>74,285,439</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(2,622,981)	(2,114,492)
Adjustments for:		
Depreciation	1,329,156	1,229,390
Capital grants from DfE and other capital income	(39,962)	(371,696)
Defined benefit pension scheme cost less contributions payable	1,868,000	1,437,000
Defined benefit pension scheme finance cost	135,000	104,000
(Increase)/decrease in debtors	(285,112)	371,597
(Decrease)/increase in creditors	(101,946)	477,877
Net cash provided by operating activities	282,155	1,133,676

20. Cash flows from financing activities

	2022 £	2021 £
Repayments of borrowing	-	(72,000)
Net cash provided by/(used in) financing activities	-	(72,000)

21. Cash flows from investing activities

	2022 £	2021 £
Purchase of tangible fixed assets	(206,443)	(368,552)
Capital grants from DfE Group	39,962	371,696
Net cash (used in)/provided by investing activities	(166,481)	3,144

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	9,353,600	9,237,926
Total cash and cash equivalents	9,353,600	9,237,926

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	9,237,926	115,674	9,353,600
	9,237,926	115,674	9,353,600
	9,237,926	115,674	9,353,600

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24. Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Wandsworth County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2022.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,541,329 (2021 - £1,603,623).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

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24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,175,000 (2021 - £1,153,000), of which employer's contributions totalled £883,000 (2021 - £867,000) and employees' contributions totalled £292,000 (2021 - £279,000). The agreed contribution rates for future years are 19.2 per cent for employers and 7.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

Wandsworth Council Pension Fund

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.90

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	2022	2021
	Years	Years
Retiring today		
Males	21.0	21.6
Females	23.5	24.3
Retiring in 20 years		
Males	22.3	22.9
Females	24.9	25.7

Sensitivity analysis

Wandsworth Council Pension Fund

	2022	2021
	£000	£000
Discount rate +0.1%	506	1,316
Discount rate -0.1%	545	1,407
Mortality assumption - 1 year increase	545	1,424
Mortality assumption - 1 year decrease	547	1,299
CPI rate +0.1%	525	1,406
CPI rate -0.1%	525	1,316

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24. Pension commitments (continued)

Share of scheme assets

The Academy's share of the assets in the scheme was:

	At 31 August 2022 £	At 31 August 2021 £
Equities	11,449,000	10,155,000
Gilts	190,000	2,578,000
Corporate bonds	1,369,000	-
Property	2,180,000	1,601,000
Cash and other liquid assets	(63,000)	636,000
Multi Asset Funds	1,023,000	1,551,000
Total market value of assets	16,148,000	16,521,000

The actual return on scheme assets was £1,540,000 (2021 - £2,642,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022 £	2021 £
Current service cost	(2,741,000)	(2,299,000)
Interest income	280,000	214,000
Interest cost	(415,000)	(318,000)
Administrative expenses	(10,000)	(5,000)
Total amount recognised in the Statement of financial activities	(2,886,000)	(2,408,000)

Changes in the present value of the defined benefit obligations were as follows:

	2022 £	2021 £
At 1 September	25,110,000	19,804,000
Current service cost	2,741,000	2,299,000
Interest cost	415,000	318,000
Employee contributions	292,000	286,000
Actuarial (gains)/losses	(12,132,000)	2,499,000
Benefits paid	(278,000)	(96,000)
At 31 August	16,148,000	25,110,000

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24. Pension commitments (continued)

Changes in the fair value of the Academy's share of scheme assets were as follows:

	2022 £	2021 £
At 1 September	16,521,000	12,827,000
Interest income	280,000	214,000
Actuarial (losses)/gains	(1,540,000)	2,428,000
Employer contributions	883,000	867,000
Employee contributions	292,000	286,000
Benefits paid	(278,000)	(96,000)
Other item - user input	(10,000)	(5,000)
At 31 August	16,148,000	16,521,000

25. Operating lease commitments

At 31 August 2022 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	20,657	-
Later than 1 year and not later than 5 years	64,211	-
	84,868	-

26. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

27. Related party transactions

Owing to the nature of the Academy and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period account, other than certain trustees' remuneration and expenses already disclosed in note 12.

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NOTES TO THE FINANCIAL STATEMENTS
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28. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the trust received £48,615 (2021: £98,159) and disbursed £33,773 (2021: £98,159) in respect of the fund for Southfields Academy. No amounts are included within other creditors as owed to the ESFA in respect of this fund for Southfields Academy at year end. In addition, the trust received £9,956 (2021: £17,933) in respect of the fund for Linden Lodge and disbursed £8,400 (2021: £18,000). £6,999 (2021: £5,444) has been included within accruals and deferred income as owed to the ESFA in respect of this fund for Linden Lodge at year end.