

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 14
Governance Statement	15 - 18
Statement on Regularity, Propriety and Compliance	19
Statement of Trustees' Responsibilities	20
Independent Auditor's Report on the Financial Statements	21 - 25
Independent Reporting Accountant's Report on Regularity	26 - 27
Statement of Financial Activities Incorporating Income and Expenditure Account	28 - 29
Balance Sheet	30 - 31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 67

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	M Wolton S Harvey J Banks (resigned 29 March 2021) N Spurrier (appointed 29 March 2021) J Bewley (appointed 29 April 2021)
Trustees	L Dance, Chief Executive D Ellis, Chair of Trustees S Harvey (resigned 2 September 2021) C Haslam A Noble M Hughes (resigned 11 February 2021) J Bee D Young (appointed 20 October 2020) K Brimfield (appointed 20 October 2020) W Gray (appointed 26 November 2020, resigned 21 October 2021) B Burch (appointed 12 May 2021) R Pattenden (appointed 12 May 2021)
Company registered number	11968610
Company name	SAND Academies Trust
Principal and registered office	c/o The Milestone School Longford Lane Longlevens Gloucestershire GL2 9EU
Company secretary	K Shepherd
Chief executive officer	L Dance
Senior management team	L Dance, Chief Executive Officer N Teague, Headteacher, Battledown L Vellam-Steptoe, Deputy Headteacher, Battledown (from Jan 2021) K Day, Headteacher, Belmont K Hanna, Assistant Headteacher, Belmont C Yeates, Deputy Headteacher, Belmont A Causon, School Business Manager, Belmont (to June 2021) D Taylor, Principal, Milestone School S Dowdell, Deputy Head, Milestone School P Jones, Head of Foundation, Milestone School K Mann, Head of Middle Department, Milestone School A Fidderman, Headteacher, Paternoster S Beltran, Assistant Headteacher, Paternoster J Laird, Assistant Headteacher, Paternoster C Duncan, Assistant Headteacher, Paternoster K Cunningham, Headteacher, Willow (from June 2021) C Tonks, Deputy Headteacher, Willow (from April 2021)

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

A Lai, Finance Director (to July 2021)
L Morgan, Trust Accountant (from August 2021)

Independent auditor Crowe U.K. LLP
Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR

Bankers Lloyds Bank plc
19 Eastgate Street
Gloucester
Gloucestershire
GL1 1NU

Solicitors Harrison Clark Rickerbys
Overross House
Ross Park
Ross on Wye
Herefordshire
HR9 7US

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates five schools (4 special schools and 1 main stream academy) pupils aged 2 to 16 in Gloucestershire. It has a PAN pupil capacity of 837 and had a roll in the last census of 797 - this is a decrease as we are currently looking to fill more places within the Willow Primary . The Trust catchment area is throughout Gloucestershire with some pupils coming from outside of the county due to shortages of places in other Local Authorities.

The Milestone School is a DfE sponsor academy.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust. The Trusts purpose is to improve outcomes, opportunities, and life chances for children and young people, offer more/wider support for their families and share and develop staff experience through partnership working.

The Trustees of SAND Academies Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as SAND Academies Trust.

Details of the Trustees who served during the yearperiod, and to the date these accounts are approved, are included in the Reference and administrative details on page 1.

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. Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance (a member of Department for Education's Risk Protection Arrangement) 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 £10 million on any one claim.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Academies Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Minimum of 3 but no maximum number of Trustees
- Up to 12 trustees appointed by the Members by ordinary resolution
- Under Article 57 of the Articles of Association, the CEO is appointed as a Trustee

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be reappointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trust's development.

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction is tailored specifically to the individual.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

f. Organisational structure

SAND Academies Trust has followed the organisational structure laid down in the Articles of Association. The structure is represented on page 1.

The Board of Trustees normally meets at least 6 times a year. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

- Finance and Risk Audit Committee - this meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, risk assessment, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- Resources Committee – This meets at least 6 times a year and is responsible for H&S Reporting and oversight, property development and maintenance, Staffing and HR.
- Quality of Education Committee – This meets at least 6 times a year and is responsible for the quality of teaching, learning and curriculum delivery. The committee works to ensure that best practice from each school is shared and utilised to drive improvement to pupil progress.
- Chairs Committee – Comprised of the CEO, the Chair of Trustees and the Chairs of the Local Advisory Boards. Meets 6 times a year to monitor progress and feedback from the individual academies and to develop partnership working and collaborative projects.
- Remuneration and Nominations Committee – This meets on an as required basis to consider all matters relating to the recruitment of Trustees as well as the CEO. The committee will make decisions on the remuneration of the CEO and provide advice to the CEO on the remuneration of other senior management positions.
- Principals/Headteachers and CEO meetings – meet termly to share good practice.

The following decisions are reserved to the Board of Trustees, to:

- consider any proposals for changes to the status or constitution of the Trust and its committee structure,
- appoint or remove the Chairperson and/or Vice Chairperson,
- appoint the Chief Executive Officer and Clerk to the Trustees,
- approve the strategy and annual budget.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the trust to the CEO and Senior Leadership Team of each school. The SLT implement the policies laid down by the Trustees and report back to them on performance.

The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Headteachers are responsible for the appointment of staff, though appointment panels for Headteacher posts will include a member of the Local Advisory Board and a Trustee.

The CEO is the Accounting Officer.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

Remuneration for the Trust's key management personnel is through the performance management process, managed by the CEO. Recommendations for increases in salary are presented to the Finance and Risk Audit Committee for consideration.

The Chair of Trustees and the Chair of the Remuneration and Nominations Committee are responsible for the Pay and Appraisal of the CEO.

Headteachers' remuneration is through the performance management process overseen by the CEO and Chair of Local Advisory Board of the school. Recommendations for increases in salary are presented to the Finance and Risk Audit Committee for consideration.

The Trustees consider the Board of Trustees and the Senior Leadership Team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the period for their Trustee duties.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

h. Related parties and other connected charities and organisations

Information on transactions with related parties can be found in note 28 to the accounts.

i. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

The Trust launched SAND Training & Outreach in September 2021 which aims not only to provide training and support for the Trust schools, but also to identify and co-ordinate expertise using best practitioners to:

- Play a greater role in recruiting and training new entrants to the profession
- Lead peer-to-peer professional and leadership development
- Identify and develop leadership potential through succession planning and talent management
- Provide support for other settings and parents/carers

SAND Training & Outreach is a partner of Odyssey Teaching School Hub.

Objectives and activities

a. Objects and aims

The principal object and activity of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing our schools specifically organised to enable the provision of special educational services for pupils with severe, complex and profound and multiple learning difficulties. Individual schools have bespoke policies as relevant to their unique context including policies for volunteering, staff well-being and flexible working. Individual staff members have work place disability passports as appropriate to their individual needs.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

b. Objectives, strategies and activities

Review of the year 2020/21

During the year to 31 August 2021, the Trust continued to expand by taking on its first mainstream primary school – The Willow Primary Academy. This was done to the backdrop of a global pandemic during which the whole of the Trust remained open to provide the services needed by the families under its care. The Trust met all the required health and safety standards and safeguarding requirements during this challenging time.

Ethos / Vision for SAND Academies Trust:

As a partnership we will achieve more together and therefore:

- improve outcomes, opportunities and life chances for children and young people;
- offer more / wider support for their families;
- share and develop staff expertise;
- we will create a Trust which is child-centred, giving children and young people, families and carers a voice;
- we will challenge and maximise potential for our schools and individuals through collaboration;
- we will ensure the individual identity of each school;
- we will develop a climate which is open to change and development;
- we will shape the future by influencing services and provisions;
- individuals will be empowered to make decisions using research-based evidence to ensure the quality of education has sound intent, clear implementation and accountable impact;
- community engagement will be embedded in learning experiences, both the local community of the provision and the children and young people;
- opportunities and activities will be guided to support transitions for future learning and employment;
- skills and knowledge of all employees will be utilised to improve educational outcomes for children and young people regardless of the accommodation where they are placed.

Aims for SAND Academies Trust:

- To provide the best possible education for children and young people, including those with additional and complex needs, in both mainstream and special schools.
- To achieve excellence through innovation, creativity and continuous improvement.
- To direct the maximum resources available to The Trusts' academies, facilitating and servicing high standards.
- To build formal and informal partnerships across Gloucestershire and beyond.
- To develop a Trust which is 'outward' looking and enterprising.
- To support, challenge and improve underperforming schools.
- To utilise internal and external providers in the pursuit of excellence based upon pupil need.
- To utilise the skills and experience of staff and leaders across The Trust to the best advantage of the children and young people.
- To provide an environment where staff can continually develop and progress their careers.
- To develop multi agency working practices.
- To develop children and young people's independence skills and support families to take part in a parallel journey with their child as they prepare for adulthood.
- To maximise value-for-money by continued attention to costs and streamlining & centralising working practices where appropriate.
- To play a strategic role across the region by linking with other organisations such as GAPH, GASH, GASSH, G15, GSP, National Star College, The University of Gloucestershire, Gloucestershire College, SGS Stroud college, training providers (Prospects and Bridge), Parent Carers (Face 2 Face), Forwards Employment, GFirst LEP, local businesses and voluntary sector organisations.

The Trust Board have considered and are finalising their 2021-22 strategies through which the above aims will be considered. A number of operational and financial key performance indicators will be included in the strategy document to ensure the aims noted above can be monitored and achieved over a set period of time.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Strategic report

Achievements and performance

Detailed self-evaluation for each school in SAND Academies Trust for performance during the whole academic year can be found in their Self Evaluation Forms and in progress information published on the websites.

a. Key performance indicators

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for the period were approximately 797.

Another key financial performance indicator is staffing costs as a percentage of total income. For the period, this was 77%. The Trust board are targeting making a cash neutral position at each school at the end of each academic year.

The Trust Board have considered and are finalising their 2021-22 strategies through which the above aims will be considered. A number of operational and financial key performance indicators will be included in the strategy document to ensure the aims noted above can be monitored and achieved over a set period of time.

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.

In the year 2020-2021 there have been many staff changes within the Central Finance team. These changes have allowed us to review systems and processes and develop a strategic plan. There is now a capital and revenue budget set meaning more funds are available to back up capital plans and staffing where required. For the year 2021-2022 we will be rolling out our new software system RM Accounts. This will also allow us to monitor budgets more closely and budget holders will be able to view their live budgets, giving the finances of each school a more transparent view.

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 accounting policies.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

a. Financial Report for 2020-2021

Most of the Academy Trust's income is obtained from the DfE via the ESFA, and from the Local Authority, in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 2.

During the period ended 31 August 2021, the Academies Trust received total income of £15,098k and incurred total expenditure of £14,661k (excluding movements on the LGPS pension liability, fixed asset funds and amounts transferred on conversion), which leaves a surplus of £437k before pension liability adjustments and fixed asset movements.

At August 2021 the net book value of fixed assets was £24,525k and movements in tangible fixed assets is available in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academies Trust.

The addition of another school into the Trust brought in an additional £2,170k of fixed asset reserves. However, this increase in funds is offset by an increase in the pension deficit. The LGPS deficit has increased by 55% (from £8,816k to £13,635k) which has resulted in an overall decrease in funds.

The academy trust held fund balances at 31 August 2021 of £13,029,764 (2020: £15,241,986) comprising £24,524,982 (2020: £22,355,759) of restricted fixed asset funds, £13,635,000 of pension reserve deficit (2020: £8,816,000), £1,043,541 (2020: £267,752) of restricted funds for specific funding, and £1,096,241 (2020: £1,434,475) of unrestricted general funds which also represent free reserves.

The carry forward fund balances are considered further in the Reserves Policy below.

With regard to the deficit on the pension reserve, the academy will continue to make contributions to the Local Government Pension Scheme (LGPS) with actuarial advice, and has no plans to increase contributions above the recommended level.

Key financial policies adopted include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, managers, budget holders and other staff, as well as delegated authority for spending.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

b. Significant events

COVID-19 dominated the academic year. All schools within the Trust remained open during the pandemic, with closures to classes or year groups as appropriate due to covid infections. The Trust, as legal entity, was required to assess health and safety risks, including risks in order to keep schools open safely for children and staff. Since the Trust had a number of students and staff that were included in clinically vulnerable and extremely clinically vulnerable categories who had to completely self-isolate during the entirety of lockdown, flexible learning were introduced to aid students who cannot attend schools, including sending learning materials to students via the post and introducing online remote learning packages to students. Daily covid risk management meetings were held in the schools to enable schools leadership teams to review and align school's operations in line with government's latest announcements. With children's well-being at the heart of our service, the senior leadership teams attended social services for children in CP plans and CAMHs meetings virtually or in person, as appropriate. We have seen heroic efforts made, the Trust Board would like to thank our teachers, support staff and schools' leadership team for going above and beyond in such an unprecedented, or most demanding circumstances, and continue to put children's learning and welfare first.

Keeping the schools open across the Trust during the pandemic has come with additional costs. With significantly higher staff sickness and absence level due to isolating, shielding from or suffering from contracting the COVID-19 virus, the additional health and safety assessment requirement (for instance additional cleaning of premises, hygiene products and protective equipment), the Trust has incurred approximately incurred costs of £350,000 . For the Financial Year 2020 to 2021 the Trust has received income from Mass Testing, Covid Catch up and Covid emergency support totalling £276,227.

Another financial impact of COVID-19 was the loss of non-government funded grant income such as lettings income, fund raising events had to be cancelled since the beginning of the pandemic in March 2020; however towards the end of the year in the majority of Academies it does look as though we may see lettings and training and outreach return. However when setting the budget we have been prudent in this area as the trend of the pandemic so far has been rather fluid. The Trust welcomed the introduction of School led Tutoring and The Recovery Premium for the financial year 2021-2022. This will help the schools to support pupil's mental health and wellbeing as well as to close the gaps in core academic skills lost during the pandemic. The impact of the funding for each Academy is presented within their pupil premium strategy documents available to view on each Academies website.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

c. Reserves Policy

All reserves (restricted, unrestricted and capital funds) across the MAT are pooled centrally with the exception of restricted fixed asset funds. These capital funds are ring-fenced and protected to Academies in accordance with the sponsor's funding requirements and in line with ESFA Academy Handbook.

Any overall surpluses or deficits (reserves) at the end of the year are carried over to the following year.

The CEO as Accounting Officer must inform the ESFA immediately if a deficit is anticipated.

If the Academy Trust is anticipating a deficit at the end of the financial year, the Board of Trustees and the Accounting Officer have a responsibility to ensure action is taken at the earliest opportunity to address this issue. The Trust Board must ensure that a recovery plan is submitted and approved by the ESFA.

The academy trust undertakes to ensure that a contingency reserve of £800k of the previous year's total GAG is kept, as recommended by the most current SRMA visit.

The unrestricted funds at 31 August 2021 are £1,096,241. The Trust have allocated £300,000 towards capital projects and £200,000 towards revenue projects for the 2021-2022 year. There are capital projects required throughout the Trust in order to maintain a safe environment for the pupils and staff and these projects will be drawn down from the above Capital and Revenue reserve ringfenced for such projects. Project bid forms will be completed by each school, with relevant supporting documentation. On receipt of these, the submissions will then be discussed and a decision will be made by the Finance Committee as to which projects will go ahead.

The Trust has strategic development plans to improve and grow the Trust using an appropriate proportion of the end of year reserve. Each school will submit bids to the Trust for consideration in line with their School Development Plan. In addition we plan to enhance the central school improvement budget to support all the development of all the schools. We will also increase the leadership capacity of the Senior Leadership of the Trust to enable us to recruit more schools into the Trust.

d. Capital reserves

Any overall surpluses at the end of the year are carried over to the following year.

It is the responsibility of Chief Finance Officer to keep accurate records of the capital funds, especially where grants have been received for capital projects.

e. Investment policy and performance

The Trustees have agreed the following:

Investments must be made only in accordance with written procedures approved by the Board of Trustees. All investments must be recorded in detail including date of purchase, cost and description, to identify it and to enable market value to be calculated. Additional procedures may be required to ensure all relevant income is received.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

f. Principal risks and uncertainties

The Trustees use a number of academy policies including health and safety, finance, safeguarding and schools' risk registers to evaluate strategic and reputational, operational and financial risks to which the Trust is exposed and ensure that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements by completing the Academies Financial Management and Governance Evaluation which is being submitted to the ESFA.

The trustees ensure regular review of risks as a standing item in the Finance and Risk Audit committee.

The principal risk facing the Trust is the future level of funding and an ability to operate with ongoing cost increases. This risk is managed carefully through controls over budget expenditure at each school.

The Board consider significant events to include unforeseen capital and infrastructure costs which would have both an operational and a financial impact; and any changes in government policies around funding.

Fundraising

All 5 schools have Friends of the school Associations that are registered charities. The Milestone School has a part time fund raiser.

The schools are involved in raising money and resources and our students regularly undertake extensive fundraising in support of charitable causes. These may be annual events such as Children in Need and the Poppy Appeal, or one-off events as deemed necessary.

The Trust board are in the process of planning a new and invigorated fundraising strategy as a key objective in our Strategic Vision. The strategy will investigate grants, business sponsorships and donations, and voluntary parent contributions / fundraising events.

The first significant fundraising drive will be to secure funds to help support a future CIF bid for the refurbishment of facilities needed to help support the best learning experience for our students.

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees and therefore ensures protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

Future developments

Over the coming year, the Trust aims to:

- Consolidate and strengthen the central services of the trust including being clear about our collective objectives, finances and support capacity
- Develop a business plan to establish a SAND AT nursery and consider the viability of such
- Continue to converse with schools interested in joining (or suggested by the Regional Schools Commissioner)
- Engineer a change management activity to move the culture of SAND to one that sees each employee as part of SAND AT, and contributing to our collective effort
- Develop our employer offer to be an employer of choice
- Develop our network with other MATs to share good practice and innovation
- Develop the vision of SAND AT as a therapeutic community to enhance the education offer
- Complete a robust health and safety audit of all schools
- Develop a Trust wide building and facilities improvement plan
- Improve the IT structure and a cloud based information management system to enable more efficiencies and streamlined systems and processes
- Review and improve the Trust risk register
- Review and develop individual school processes and procedures into a common framework across the Trust
- Improve the Quality of Education through SIP visits and the sharing of expertise across the Trust
- Continue to develop our teaching and learning to be a good and outstanding schools respected by our peers.

Funds held as custodian on behalf of others

The Academies Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditor

The auditor, Crowe U.K. LLP, has indicated his willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 17 December 2021 and signed on its behalf by:



D Ellis
(Chair of Trustees)



L Dance
(Accounting Officer)

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that SAND Academies 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 CEO, 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 SAND Academies 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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 6 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
L Dance, Chief Executive	6	6
D Ellis, Chair of Trustees	6	6
S Harvey	6	6
C Haslam	6	6
A Noble	5	6
M Hughes	3	3
J Bee	4	6
K Brimfield	4	5
D Young	5	5
W Gray	1	5
B Burch	2	2
R Pattenden	2	2

The Finance and Risk Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to take responsibility on behalf of the Board for overseeing all financial aspects of the Trust in order to ensure short and long term viability. Attendance at meetings during the period was as follows:

Trustee	Meetings attended	Out of a possible
L Dance	7	7
D Young	6	6
D Ellis	7	7
M Hughes	3	4
S Harvey	2	2
B Burch	1	1

The Resources committee is also a sub-committee of the main board of Trustees. Its purpose is to oversee and evaluate the HR/Staffing processes and property maintenance and development throughout SAND Academies Trust. The committee shall make appropriate recommendations to the Trust Board within the context of its terms of reference. Attendance at meetings during the period was as follows:

Trustee	Meetings attended	Out of a possible
L Dance	5	6
C Haslam	6	6
S Harvey	4	4
W Gray	0	3
A Noble	5	6

Due to the Covid-19 pandemic, all trustee meetings were held virtually on Teams. Minutes of meetings have been approved at the relevant meetings but have not yet been physically signed. This will be completed in due course.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the CEO 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 where appropriate.

Accounting and finance policies were put in place as our top priority to safeguarding DfE funding and to optimise value for money while delivering our curriculums. Going forward we will continue to adopt best practices recommended in ESFA Financial Handbook and Academies Accounting Directions. We have plans to improve our finance systems in the coming year which will enable staff and stakeholders to have better visibility in their spending and introduce timely mitigation actions where necessary. We will strengthen our internal controls to minimise fraud; enhance our budgeting and monitoring process to ensure the Board of Trustees decisions are underpinned by sound financial analysis. We will also introduce treasury management to stretch our funding capabilities further; along with continuation of external bidding for extra funding where opportunities arises to warrant financial viability. With full support and collaboration from our partner organisations, local communities, trustees, local authorities and Friends of our schools, we will continue to deliver our mission on removing obstacles and enabling access to learning for all the children under our care in a sustainable manner.

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 SAND Academies Trust for the year 1 September 2020 to 31 August 2021 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 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 Trust'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

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided not to appoint an internal auditor. However, the Trustees have appointed instructed, a third party, to carry out a programme of internal checks.

The Board of Trustees appointed an external auditor Optimum Professional Services to carry out the internal scrutiny review. The Board requested that the review was to be reference income.

The Scope of the visit was "To ensure the treatment of income is correct and that all income due has been received." The main aims were:

To confirm that income is recognised in line with the financial reporting framework (FRF).
To confirm that the income is complete.

The report has since been received, reviewed and actioned.

On a semi-annual basis, the reviewer reports to the board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

As accounting officer, the CEO 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 reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust 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 audit and risk 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 17 December 2021 and signed on their behalf by:



D Ellis
Chair of Trustees



L Dance
Accounting Officer

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of SAND Academies Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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.



L Dance
Accounting Officer
Date: 17 December 2021

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021;
- make judgements 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.

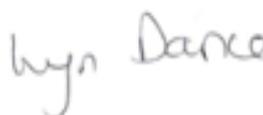
The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been 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 and signed on its behalf by:



D Ellis
Chair of Trustees
Date: 17 December 2021



L Dance
Accounting Officer

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAND ACADEMIES TRUST

Opinion

We have audited the financial statements of SAND Academies Trust (the 'academy trust') for the year ended 31 August 2021 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 2020 to 2021 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 Trust's affairs as at 31 August 2021 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 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust 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 Trust'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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAND ACADEMIES TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 Trust 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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAND
ACADEMIES TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust 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 Trust'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 Trust or to cease operations, or have no realistic alternative but to do so.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAND
ACADEMIES TRUST (CONTINUED)**

Auditor's 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 Auditor's 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 obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction and the Academy Trust Handbook. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance. In addition to this we have also designed audit procedures over income to test the timing and completeness of income recognition in the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditor's Report.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAND
ACADEMIES TRUST (CONTINUED)**

Use of our report

This report is made solely to the Academy Trust'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 Trust's members those matters we are required to state to them in an Auditor's 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Biggin (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

21 December 2021

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAND ACADEMIES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 13 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by SAND Academies Trust during the year 1 September 2020 to 31 August 2021 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 SAND Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to SAND Academies 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 SAND Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of SAND Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of SAND Academies Trust's funding agreement with the Secretary of State for Education dated 29 May 2019 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes a review of the design and implementation of the charitable company's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the charitable company and specific transactions identified from our review.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAND
ACADEMIES 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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date: 21 December 2021

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	(771,000)	2,501,909	1,730,909	9,146,338
Charitable activities	4	9,331	14,554,231	-	14,563,562	9,439,307
Teaching schools		-	145,575	-	145,575	98,271
Other trading activities	5	56,836	-	-	56,836	194,676
Investments	6	-	-	-	-	298
Total income		66,167	13,928,806	2,501,909	16,496,882	18,878,890
Expenditure on:						
Charitable activities		22,871	14,886,019	714,216	15,623,106	10,475,565
Teaching schools		-	75,998	-	75,998	95,819
Total expenditure	7	22,871	14,962,017	714,216	15,699,104	10,571,384
Net income/(expenditure)		43,296	(1,033,211)	1,787,693	797,778	8,307,506
Transfers between funds	17	(381,530)	-	381,530	-	-
Net movement in funds before other recognised gains/(losses)		(338,234)	(1,033,211)	2,169,223	797,778	8,307,506
Other recognised gains/(losses):						
Other (losses)/gains	25	-	(3,010,000)	-	(3,010,000)	402,000
Net movement in funds		(338,234)	(4,043,211)	2,169,223	(2,212,222)	8,709,506

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Reconciliation of funds:					
Total funds brought forward	1,434,475	(8,548,248)	22,355,759	15,241,986	6,532,480
Net movement in funds	(338,234)	(4,043,211)	2,169,223	(2,212,222)	8,709,506
Total funds carried forward	1,096,241	(12,591,459)	24,524,982	13,029,764	15,241,986

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 67 form part of these financial statements.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11968610

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	24,524,982	22,355,759
		<u>24,524,982</u>	<u>22,355,759</u>
Current assets			
Debtors	15	270,974	1,271,370
Cash at bank and in hand		2,991,261	1,306,636
		<u>3,262,235</u>	<u>2,578,006</u>
Creditors: amounts falling due within one year	16	(1,122,453)	(875,779)
Net current assets		2,139,782	1,702,227
Total assets less current liabilities		26,664,764	24,057,986
Net assets excluding pension liability		26,664,764	24,057,986
Defined benefit pension scheme liability	25	(13,635,000)	(8,816,000)
Total net assets		13,029,764	15,241,986

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11968610

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	24,524,982	22,355,759
Restricted income funds	17	1,043,541	267,752
		<hr/>	<hr/>
Restricted funds excluding pension asset	17	25,568,523	22,623,511
Pension reserve	17	(13,635,000)	(8,816,000)
		<hr/>	<hr/>
Total restricted funds	17	11,933,523	13,807,511
Unrestricted income funds	17	1,096,241	1,434,475
		<hr/>	<hr/>
Total funds		13,029,764	15,241,986
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 28 to 67 were approved by the Trustees, and authorised for issue on 17 December 2021 and are signed on their behalf, by:



D Ellis
Chair of Trustees



L Dance
Accounting Officer

The notes on pages 33 to 67 form part of these financial statements.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	4,286,289	10,477,709
Cash flows from investing activities	21	(2,601,664)	(9,592,024)
Cash flows from financing activities	20	-	298
Change in cash and cash equivalents in the year		1,684,625	885,983
Cash and cash equivalents at the beginning of the year		1,306,636	420,653
Cash and cash equivalents at the end of the year	22, 23	2,991,261	1,306,636

The notes on pages 33 to 67 form part of these financial statements

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

The company is a private company (limited by guarantee), which is incorporated and registered in England and Wales (no. 11968610). The address of the principal office is The Milestone School, Longford Lane, Longlevens, Gloucestershire, GL2 9EU.

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, 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 2020 to 2021 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 Trust 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

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

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

- **Grants**

General Annual Grant is recognised in full in the Statement of Financial Activities incorporating income and expenditure account 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 entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund.

- **Donations**

Donations are recognised on a receivable basis where 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 trust has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £1,000 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:

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold property	- 30 - 50 years
Furniture and equipment	- 5 years
Computer equipment	- 5 years
Motor vehicles	- 5 years

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.

1.7 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.

1.8 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.

1.9 Liabilities and provisions

Liabilities and provisions 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 Trust 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. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.10 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Operating leases

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

1.12 Pensions

Retirement benefits to employees of the Academy Trust 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 Trust 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 Trust 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.

1.13 Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Willow Primary Academy to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.14 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Trustees.

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.

2. Critical accounting estimates and areas of judgement

Estimates and judgements 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 Trust 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 25, 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 2021. 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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Funds inherited on conversion	-	(771,000)	2,170,000	1,399,000
Capital grants	-	-	281,775	281,775
Capital donations	-	-	50,134	50,134
	<u>-</u>	<u>(771,000)</u>	<u>2,501,909</u>	<u>1,730,909</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants (continued)

Included within Capital grants is a £40,000 Environmental Improvement Grant from the DfE for Willow Primary Academy and £49,916 of Devolved Formula Capital funding from the DfE.

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Funds inherited on conversion	721,961	(1,276,385)	9,325,000	8,770,576
Capital Grants	-	-	278,855	278,855
Similar incoming resources	-	-	96,907	96,907
	<u>721,961</u>	<u>(1,276,385)</u>	<u>9,700,762</u>	<u>9,146,338</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's funding for educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
Other DfE/ESFA grants			
General Annual Grant (GAG)	-	6,012,109	6,012,109
Pupil premium	-	388,117	388,117
UFSM	-	39,348	39,348
PE & Sports Grant	-	73,786	73,786
Trust Capacity Fund	-	145,608	145,608
Pre-opening Grant	-	110,000	110,000
Strategic School Improvement	-	4,000	4,000
Apprenticeships Incentive	-	4,000	4,000
	-	6,776,968	6,776,968
Other Government grants			
Local authority grants	-	7,501,036	7,501,036
	-	7,501,036	7,501,036
Other income from the Academy Trust's funding for educational operations	9,331	-	9,331
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	149,860	149,860
Other DfE/ESFA COVID-19 funding	-	55,427	55,427
	-	205,287	205,287
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	-	70,940	70,940
	-	70,940	70,940
	9,331	14,554,231	14,563,562

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's funding for educational operations (continued)

Local authority grant funding includes monthly top up funding, teacher's pay and pension grants, SEN funding and high needs funding.

The Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak.

The Academy Trust received £149,860 of funding for catch-up premium and costs incurred in respect of this funding totalled £149,860.

The Academy Trust has also been eligible to claim additional funding of £126,367 in year from government support schemes in response to the coronavirus outbreak.

The funding received for coronavirus exceptional support covers £21,429 of premises, free school meal, and cleaning costs, £70,940 of mass testing funding, £31,418 of additional free school meal costs and school playscheme funding of £2,580. These costs are included in notes 7 and 8 below as appropriate.

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
DfE/ESFA grants			
Other DfE/ESFA grants			
General Annual Grant (GAG)	-	3,943,398	3,943,398
Pupil Premium	-	273,580	273,580
UIFSM	-	24,364	24,364
PE & Sports Grant	-	40,140	40,140
Year 7 Catch up premium	-	22,500	22,500
ITT Incentives	-	17,820	17,820
	-	4,321,802	4,321,802
Other Government grants			
Local authority grants	-	4,860,716	4,860,716
	-	4,860,716	4,860,716
Other income from the Academy Trust's funding for educational operations	178,485	-	178,485
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 funding	-	78,304	78,304
	-	78,304	78,304
	178,485	9,260,822	9,439,307

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's funding for educational operations (continued)

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Academy Trust was eligible to claim additional funding in 2020 from government support schemes in response to the coronavirus outbreak.

The funding received for coronavirus exceptional support covers £78,304 of premises, free school meal, and cleaning costs. These costs are included in notes 7 and 8 below as appropriate.

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Hire of facilities	18,135	18,135
Other income	38,701	38,701
	56,836	56,836
	56,836	56,836

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Hire of facilities	156,564	156,564
Other income	38,112	38,112
	194,676	194,676
	194,676	194,676

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest	-	-
	-	-
	-	-

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. Investment income (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	298	298

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Funding for Educational Operations:				
Direct costs	10,746,479	-	1,516,835	12,263,314
Allocated support costs	2,121,929	484,911	752,952	3,359,792
Teaching school	45,123	-	30,875	75,998
	<u>12,913,531</u>	<u>484,911</u>	<u>2,300,662</u>	<u>15,699,104</u>

	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Funding for Educational Operations:				
Direct costs	7,256,391	450,107	375,026	8,081,524
Allocated support costs	1,567,350	280,946	545,745	2,394,041
Teaching school	57,319	-	38,500	95,819
	<u>8,881,060</u>	<u>731,053</u>	<u>959,271</u>	<u>10,571,384</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Funding for Educational Operations	12,263,314	3,359,792	15,623,106

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Funding for Educational Operations	8,081,524	2,394,041	10,475,565

Analysis of direct costs

	Funding for educational operations 2021 £	Total funds 2021 £
Staff costs	10,706,392	10,706,392
Depreciation	714,216	714,216
Catering costs	97,669	97,669
Teaching and educational support	194,694	194,694
Educational supplies	285,298	285,298
Educational activities	7,907	7,907
Examination fees	5,466	5,466
Staff development	113,002	113,002
Other direct costs	114,431	114,431
Professional fees	24,239	24,239
	<u>12,263,314</u>	<u>12,263,314</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Funding for educational operations 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	7,256,391	7,256,391
Depreciation	450,107	450,107
Catering costs	86,692	86,692
Teaching and educational support	457	457
Educational supplies	151,712	151,712
Educational activities	2,189	2,189
Examination fees	375	375
Staff development	42,821	42,821
Other direct costs	72,722	72,722
Professional fees	18,058	18,058
	<hr/> 8,081,524 <hr/>	<hr/> 8,081,524 <hr/>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Funding for educational operations 2021 £	Total funds 2021 £
Staff costs	2,077,272	2,077,272
Net interest cost on LGPS	163,000	163,000
Central admin costs	158,117	158,117
Support staff costs	44,657	44,657
Maintenance of premises	215,825	215,825
Cleaning	145,386	145,386
Insurance	24,766	24,766
Security and transport	59,137	59,137
Professional fees	208,224	208,224
Other support costs	240,424	240,424
Legal costs	22,984	22,984
	<hr/> 3,359,792 <hr/>	<hr/> 3,359,792 <hr/>

Included within staff costs and professional fees above are governance costs totalling £47,560 (2020: £36,202). Governance costs are costs of administrative support provided to the trustees (£23,885), and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts (£23,675)

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Funding for educational operations 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	1,567,350	1,567,350
Net interest cost on LGPS	145,000	145,000
Maintenance of premises	105,544	105,544
Cleaning	56,944	56,944
Insurance	20,406	20,406
Security and transport	34,324	34,324
Professional fees	232,257	232,257
Other support costs	195,954	195,954
Legal costs	36,262	36,262
	<u>2,394,041</u>	<u>2,394,041</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	9,552	6,952
Depreciation of tangible fixed assets	714,216	450,107
Fees paid to auditor for:		
- audit	23,480	11,750
- other services	9,825	4,760
	<u>757,073</u>	<u>473,574</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	8,850,054	6,173,483
Social security costs	722,227	471,181
Pension costs	3,256,506	2,236,396
	12,828,787	8,881,060
Agency staff costs	84,744	-
	12,913,531	8,881,060

Included within wages and salaries is a settlement amount of £3,444 paid to 1 individual.

b. Staff numbers

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

	2021	2020
	No.	No.
Teachers	88	85
Administration and support	384	411
Management	18	15
	490	511

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,347,654 (2020 £945,238).

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

The Academy Trust has provided the following central services to its academies during the year:

- Executive staffing support
- Business and finance support
- Accountancy support and audit
- Facilities management

The Academy Trust charges for these services on the following basis:

The total cost for the year is based on an apportioned payroll cost for those individuals deemed to hold a Trust role, plus any associated direct costs of managing and governing the Trust such as audit fees or consultancy fees.

This total cost is then apportioned based on the size of the school and the number of months which the school has been part of the Trust. Recharges are then made between The Central Trust and the other schools in the Trust.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
The Milestone School	461,090	368,055
Paternoster School	109,657	129,490
Battledown Centre for Children and Families	88,856	25,998
Belmont School	173,758	16,742
Willow Primary Academy	57,579	-
Total	890,940	540,285

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. 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:

		2021 £	2020 £
L Dance	Remuneration	95,000 - 100,000	95,000 - 100,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
J Smith	Remuneration		0 - 5,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. Tangible fixed assets

	Leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	22,558,500	272,848	49,570	-	22,880,918
Additions	375,395	200,168	96,832	41,044	713,439
On acquisition of subsidiaries	2,170,000	-	-	-	2,170,000
Disposals	-	-	(10,960)	-	(10,960)
At 31 August 2021	<u>25,103,895</u>	<u>473,016</u>	<u>135,442</u>	<u>41,044</u>	<u>25,753,397</u>
Depreciation					
At 1 September 2020	503,747	18,296	3,116	-	525,159
Charge for the year	603,125	42,407	63,084	5,600	714,216
On disposals	-	-	(10,960)	-	(10,960)
At 31 August 2021	<u>1,106,872</u>	<u>60,703</u>	<u>55,240</u>	<u>5,600</u>	<u>1,228,415</u>
Net book value					
At 31 August 2021	<u><u>23,997,023</u></u>	<u><u>412,313</u></u>	<u><u>80,202</u></u>	<u><u>35,444</u></u>	<u><u>24,524,982</u></u>
At 31 August 2020	<u><u>22,054,753</u></u>	<u><u>254,552</u></u>	<u><u>46,454</u></u>	<u><u>-</u></u>	<u><u>22,355,759</u></u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. Debtors

	2021 £	2020 £
Trade debtors	-	82,893
Other debtors	58,997	832,107
Prepayments and accrued income	100,252	324,295
Tax recoverable	111,725	32,075
	270,974	1,271,370
	270,974	1,271,370

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	396,622	98,344
Other taxation and social security	179,532	141,210
Other creditors	270,659	220,788
Accruals and deferred income	275,640	415,437
	1,122,453	875,779
	1,122,453	875,779

	2021 £	2020 £
Deferred income at 1 September 2020	16,730	8,796
Resources deferred during the year	239,859	16,730
Amounts released from previous periods	(16,730)	(8,796)
	239,859	16,730
	239,859	16,730

At the balance sheet date, the Academy Trust was holding funds received in advance for £30,217 of UIFSM funding received in advance of the 2020/21 financial year and £209,642 of unspent funding for the Battledown expansion project.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Funds inherited on conversion	1,003,039	-	-	-	-	1,003,039
School Fund	217,062	9,331	(13,897)	(381,530)	-	(169,034)
Hire of facilities	178,389	18,135	(1,067)	-	-	195,457
Other funding	35,985	38,701	(7,907)	-	-	66,779
	<u>1,434,475</u>	<u>66,167</u>	<u>(22,871)</u>	<u>(381,530)</u>	<u>-</u>	<u>1,096,241</u>
Restricted general funds						
General Annual Grant (GAG)	-	6,012,109	(5,181,520)	-	-	830,589
Pupil Premium	103,982	388,117	(478,081)	-	-	14,018
UIFSM	-	39,348	(39,348)	-	-	-
PE & Sports Grant	42,715	73,786	(37,980)	-	-	78,521
Trust Capacity Fund	-	145,608	(145,608)	-	-	-
Pre opening grant	-	110,000	(110,000)	-	-	-
Teaching School	16,886	145,575	(75,998)	-	-	86,463
Year 7 catch up premium	101,022	-	(101,022)	-	-	-
Other DfE/ESFA	-	8,000	(8,000)	-	-	-
Local authority grants	3,147	7,501,036	(7,490,271)	-	-	13,912
Covid catch up premium	-	149,860	(129,822)	-	-	20,038
Other DfE/ESFA Covid 19 funding	-	55,427	(55,427)	-	-	-
Other Covid 19 funding	-	70,940	(70,940)	-	-	-
Pension reserve	(8,816,000)	(771,000)	(1,038,000)	-	(3,010,000)	(13,635,000)
	<u>(8,548,248)</u>	<u>13,928,806</u>	<u>(14,962,017)</u>	<u>-</u>	<u>(3,010,000)</u>	<u>(12,591,459)</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

Restricted fixed asset funds

Capital grant income	-	281,775	-	(281,775)	-	-
Fixed Asset Fund	22,355,759	2,170,000	(714,216)	713,439	-	24,524,982
Capital Donations	-	50,134	-	(50,134)	-	-
	<u>22,355,759</u>	<u>2,501,909</u>	<u>(714,216)</u>	<u>381,530</u>	<u>-</u>	<u>24,524,982</u>
Total Restricted funds	<u>13,807,511</u>	<u>16,430,715</u>	<u>(15,676,233)</u>	<u>381,530</u>	<u>(3,010,000)</u>	<u>11,933,523</u>
Total funds	<u>15,241,986</u>	<u>16,496,882</u>	<u>(15,699,104)</u>	<u>-</u>	<u>(3,010,000)</u>	<u>13,029,764</u>

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

Restricted General Funds:

The General Annual Grant is subject to specific expenditure within the Academy's declared objectives. Other DfE/ESFA grants relate to Government funding for the provision of education by the Academy and have been fully expended in the year. Funding is repayable if the Academy does not meet all funding requirements.

The Local Government Pension Scheme is also included within this fund.

Restricted Fixed Asset Funds:

These funds relate to the land, buildings, and other fixed assets which are owned by the Academy and used in accordance with the charitable objectives.

Unrestricted funds:

Represents income generated by the School (such as lettings and hire facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Governing Body.

Transfers between funds relate to amounts expended on fixed assets from unrestricted and restricted funds which have been used for the acquisition of fixed assets during the year.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Unrestricted funds						
Funds inherited on conversion	575,870	721,961	-	(294,792)	-	1,003,039
School Fund	37,758	178,485	-	819	-	217,062
Hire of facilities	21,825	156,564	-	-	-	178,389
Other funding	(236)	38,410	(2,189)	-	-	35,985
	<u>635,217</u>	<u>1,095,420</u>	<u>(2,189)</u>	<u>(293,973)</u>	<u>-</u>	<u>1,434,475</u>
Restricted general funds						
General Annual Grant (GAG)	-	3,943,398	(3,970,090)	26,692	-	-
Pupil Premium	13,841	273,580	(226,294)	42,855	-	103,982
High needs top up funding	-	4,195,787	(4,195,787)	-	-	-
SEN funding	-	207,231	(207,231)	-	-	-
Funds inherited on conversion	-	127,615	(66,782)	(60,833)	-	-
Teaching School	14,434	98,271	(95,819)	-	-	16,886
Year 7 catch up premium	-	22,500	(3,583)	82,105	-	101,022
PE & Sports Grant	-	40,140	(27,316)	29,891	-	42,715
COVID-19 Exceptional Funding	-	78,304	(78,304)	-	-	-
Other funding	-	499,882	(499,882)	3,147	-	3,147
Pension reserve	(7,066,000)	(1,404,000)	(748,000)	-	402,000	(8,816,000)
	<u>(7,037,725)</u>	<u>8,082,708</u>	<u>(10,119,088)</u>	<u>123,857</u>	<u>402,000</u>	<u>(8,548,248)</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

Restricted fixed asset funds

Capital grant income	-	278,855	-	(278,855)	-	-
Fixed Asset Fund	12,934,988	9,325,000	(450,107)	545,878	-	22,355,759
Capital Donations	-	96,907	-	(96,907)	-	-
	<u>12,934,988</u>	<u>9,700,762</u>	<u>(450,107)</u>	<u>170,116</u>	<u>-</u>	<u>22,355,759</u>
Total Restricted funds	<u>5,897,263</u>	<u>17,783,470</u>	<u>(10,569,195)</u>	<u>293,973</u>	<u>402,000</u>	<u>13,807,511</u>
Total funds	<u>6,532,480</u>	<u>18,878,890</u>	<u>(10,571,384)</u>	<u>-</u>	<u>402,000</u>	<u>15,241,986</u>

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
The Milestone School	750,721	486,142
Paternoster School	13,702	162,428
Battledown Centre	496,163	327,899
Belmont School	707,402	725,758
Willow Primary	171,794	-
Total before fixed asset funds and pension reserve	<u>2,139,782</u>	<u>1,702,227</u>
Restricted fixed asset fund	24,524,982	22,355,759
Pension reserve	(13,635,000)	(8,816,000)
Total	<u>13,029,764</u>	<u>15,241,986</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Statement of funds (continued)

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 2021
	£	£	£	£	£
The Milestone School	5,669,613	566,024	363,699	447,413	7,046,749
Paternoster School	1,242,604	147,174	55,035	211,950	1,656,763
Battledown Centre	983,166	178,976	65,934	123,574	1,351,650
Belmont School	2,348,417	271,942	206,009	208,577	3,034,945
Willow Primary	468,784	34,283	49,490	97,928	650,485
Teaching School	35,914	9,209	30,875	-	75,998
Central Funds	-	872,681	102,539	193,078	1,168,298
Academy Trust	10,748,498	2,080,289	873,581	1,282,520	14,984,888

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

	<i>Teaching and educational support staff costs</i>	<i>Other support staff costs</i>	<i>Educational supplies</i>	<i>Other costs excluding depreciation</i>	<i>Total 2020</i>
	£	£	£	£	£
The Milestone School	5,729,390	590,488	291,782	447,033	7,058,693
Paternoster School	962,442	222,264	72,849	114,761	1,372,316
Battledown Centre	277,537	83,131	5,908	76,952	443,528
Belmont School	287,022	68,467	4,487	42,945	402,921
Teaching School	41,156	16,163	38,500	-	95,819
Central funds	-	603,000	-	145,000	748,000
Academy Trust	7,297,547	1,583,513	413,526	826,691	10,121,277

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	24,524,982	24,524,982
Current assets	1,096,241	2,165,994	-	3,262,235
Creditors due within one year	-	(1,122,453)	-	(1,122,453)
Provisions for liabilities and charges	-	(13,635,000)	-	(13,635,000)
Total	1,096,241	(12,591,459)	24,524,982	13,029,764

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	22,355,759	22,355,759
Current assets	1,434,475	1,143,531	-	2,578,006
Creditors due within one year	-	(875,779)	-	(875,779)
Provisions for liabilities and charges	-	(8,816,000)	-	(8,816,000)
Total	1,434,475	(8,548,248)	22,355,759	15,241,986

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £	2020 £
Net income for the year (as per Statement of Financial Activities)	797,778	8,307,506
Adjustments for:		
Depreciation charges	714,216	450,107
Decrease/(increase) in debtors	1,000,396	(611,522)
Increase in creditors	246,674	458,770
Capital grants from DfE and other capital income	(281,775)	(278,854)
Defined benefit pension scheme obligation inherited	771,000	1,404,000
Defined benefit pension scheme cost less contributions payable	875,000	603,000
Defined benefit pension scheme finance cost	163,000	145,000
Bank interest	-	(298)
Net cash provided by operating activities	4,286,289	10,477,709

20. Cash flows from financing activities

	2021 £	2020 £
Bank interest	-	298
Net cash provided by financing activities	-	298

21. Cash flows from investing activities

	2021 £	2020 £
Transferred on conversion	(2,170,000)	(9,325,000)
Purchase of tangible fixed assets	(713,439)	(545,878)
Capital grants from DfE Group and other capital income	281,775	278,854
Net cash used in investing activities	(2,601,664)	(9,592,024)

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. Analysis of cash and cash equivalents

	2021	<i>2020</i>
	£	£
Cash in hand and at bank	2,991,261	<i>1,306,636</i>
Total cash and cash equivalents	<u>2,991,261</u>	<i><u>1,306,636</u></i>

23. Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	1,306,636	1,684,625	2,991,261
	<u>1,306,636</u>	<u>1,684,625</u>	<u>2,991,261</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Conversion to an academy trust

On 1 April 2021 Willow Primary Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to SAND Academies Trust from Gloucestershire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets			
Freehold land and buildings	-	2,170,000	2,170,000
Non-current liabilities			
LGPS liability	(771,000)	-	(771,000)
Net (liabilities)/assets	<u>(771,000)</u>	<u>2,170,000</u>	<u>1,399,000</u>

25. Pension commitments

The Academy Trust'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 Gloucestershire 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 March 2019.

Contributions amounting to £265,723 were payable to the schemes at 31 August 2021 (2020 - £209,427) and are included within creditors.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

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 2023.

The employer's pension costs paid to TPS in the year amounted to £873,596 (2020 - £528,636).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. 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 2021 was £1,787,006 (2020 - £1,247,265), of which employer's contributions totalled £1,501,934 (2020 - £1,049,771) and employees' contributions totalled £ 285,072 (2020 - £197,495). The agreed contribution rates for future years are 30.5 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 24 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

	2021	2020
	%	%
Discount rate for scheme liabilities	1.65	1.7
Rate of increase in salaries	3.2	2.5
Inflation assumption (CPI)	2.9	2.2

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.9	21.7
Females	24.3	23.9
<i>Retiring in 20 years</i>		
Males	22.9	22.4
Females	26.0	25.3

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

Sensitivity analysis

	2021	<i>2020</i>
	£000	<i>£000</i>
0.5% decrease in real discount rate	3,485	<i>2,355</i>
0.5% increase in the salary increase rate	360	<i>288</i>
0.5% increase in the pension increase rate (CPI)	3,075	<i>2,022</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2021	<i>2020</i>
	£	<i>£</i>
Equities	9,058,000	<i>5,674,000</i>
Corporate bonds	2,717,400	<i>1,977,000</i>
Property	905,800	<i>688,000</i>
Cash and other liquid assets	258,800	<i>258,000</i>
	=====	<i>=====</i>
Total market value of assets	12,940,000	<i>8,597,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £166,000 (*2020 - £124,000*).

The amounts recognised in the Statement of Financial Activities are as follows:

	2021	<i>2020</i>
	£	<i>£</i>
Current service cost	(2,378,000)	<i>(1,653,000)</i>
Interest income	166,000	<i>123,000</i>
Interest cost	(329,000)	<i>(268,000)</i>
Liability transferred in on existing academies joining the Trust	(771,000)	<i>(1,404,000)</i>
Actuarial (loss)/gain	(3,010,000)	<i>402,000</i>
	=====	<i>=====</i>
Total amount recognised in the Statement of Financial Activities	(6,322,000)	<i>(2,800,000)</i>
	=====	<i>=====</i>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

25. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	17,413,000	12,475,000
Interest cost	329,000	268,000
Employee contributions	286,000	198,000
Current service cost	2,378,000	1,653,000
Changes in financial assumptions	4,699,000	(267,000)
Transferred in on existing academies joining the Trust	1,470,000	3,086,000
At 31 August	26,575,000	17,413,000

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

	2021 £	2020 £
At 1 September	8,597,000	5,409,000
Transferred in on existing academies joining the Trust	699,000	1,682,000
Interest income	166,000	123,000
Employer contributions	1,503,000	1,050,000
Employee contributions	286,000	198,000
Return on assets	1,689,000	135,000
At 31 August	12,940,000	8,597,000

26. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	9,552	6,952
Later than 1 year and not later than 5 years	21,704	20,856
	31,256	27,808

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

28. Related party transactions

Owing to the nature of the Academy Trust 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 Academies Financial 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

An invoice totalling £3,675 was paid to Cheltenham Bournside School and Sixth Form Centre for water recharges. A Noble (Trustee) is also a Governor of this Trust. No such transactions took place in 2020.

D Young (Trustee) is also a Trustee of Lakeside Primary School. During the year an invoice of £1,950 was paid to Lakeside Primary School for Education Support Services. No such transactions took place in 2020.

C Haslam and L Dance (Trustees) are also Trustees of The Chamwell Centre Charity. During the year, the Trust recharged £38,766 (2020: £955) to The Chamwell Centre Charity for staff and site management costs. £11,064 (202: nil) was outstanding at the year end. The Trust paid invoices of £58,909 to the Chamwell Centre Charity during the year for use of the Chamwell building, £13,936 was outstanding at the year end.

M Wolton (Member) is employed as a Partner at Veale Wasbrough Vizards LLP. During the year to 31 August 2020, £2,023 was paid to Veale Wasbrough Vizards LLP for professional fees. No such transactions took place in the year to 31 August 2021.

During the year to 31 August 2020, an invoice totalling £1,100 was paid to Ease Training for the GovernorHub installation and annual subscription during the previous year. R Levigne (Trustee) was a Director of this company and enabled this transaction. No such transactions took place in the year to 31 August 2021.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

29. Teaching school trading account

	2021	2021	2020	2020
	£	£	£	£
Income				
Direct income				
Government grant income	109,509		55,869	
Training income	36,066		42,402	
Total direct income	145,575		98,271	
Total income		145,575		98,271
Expenditure				
Direct expenditure				
Direct staff costs	45,123		57,319	
Expenditure	30,875		38,500	
Total direct expenditure	75,998		95,819	
Total expenditure		75,998		95,819
Surplus from all sources		69,577		2,452
Teaching school balances at 1 September 2020		16,886		14,434
Teaching school balances at 31 August 2021		86,463		16,886