

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Bewley
N Spurrier
J Trotter (appointed 1 September 2023)
M Wolton

Trustees

K Brimfield (resigned 1 September 2023)
L Dance (resigned 31 December 2022)
D Ellis
L R Grainger (appointed 7 December 2022)
M L Henry
M Hughes, Chief Executive (appointed 1 January 2023)
S Mcgurk (appointed 7 December 2022)
A Noble, Chair of Trustees
R Pattenden (resigned 9 October 2022)
C Peutrill (appointed 2 November 2022)
C A Sellick (appointed 3 October 2022, resigned 23 May 2023)
D Sleep (appointed 16 January 2023)
B Williams (resigned 25 March 2023)
C Wild (appointed 16 January 2023)
A Winwood (appointed 7 December 2022)
D S Young (resigned 19 October 2022)

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 (resigned 31 October 2023)

Chief executive officer

L Dance (resigned 31 December 2022)
M Hughes (appointed 1 January 2023)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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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

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SAND Leadership

<i>Name</i>	<i>Role</i>	<i>School</i>
Martin Hughes	Chief Executive Officer, from 1 January 2023	Central
Lyn Dance	Chief Executive Officer, to 31 December 2022	Central
Annette Fiddeman	Director of School Improvement (Jan 23 to Aug 23)	Central
Lynn Campbell Davies	Operations Director	Central
Louise Morgan	Finance Director	Central
Nicola Teague	Head Teacher	Battledown
Kevin Day	Head Teacher	Belmont
Diane Taylor	Head Teacher	Milestone
Annette Fiddeman	Head Teacher (Sep 22 to Dec 22)	Patemoster
Jennie Laird	Head Teacher (Jan 23 to Aug 23)	Patemoster
Katy Hanna	Head Teacher (from Aug 23)	Sladewood
Peter Hales	Head Teacher	Willow

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and Auditor's Report of the charitable company for the period 1 September 2022 to 31 August 2023. 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 mainstream school) for pupils aged 2 to 16 in Gloucestershire. It has a PAN pupil capacity of 837 and had a roll in the last census of 792 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.

Gloucestershire Local Authority in conjunction with the Regional Schools Commissioner have, following the Trust's submission of a comprehensive bid, selected SAND Academies Trust to open and run a new special school in Stroud in September 2023, which has now been named Sladewood Academy. Prior to the opening the Trust has drawn on its expertise to ensure that the School opened on time and fully staffed.

The Milestone School is a DfE sponsor academy.

On 18 July 2023 The Chamwell Centre Charity became a wholly owned subsidiary of SAND Academy Trust.

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 period, 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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, a chance to meet staff and pupils and allocation of an existing trustee as a mentor. 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. Trustees are provided with a training and development document which details both mandatory and recommended training to be completed. There have been several new Trustees appointed throughout the period and a training schedule was implemented to run prior to board meetings to provide an overview of governance and the Trust including: Introduction (key roles and documentation for Trustees, School Improvement and the quality of education, Finance, Operations and HR).

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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.

The committee structure for the Trustees is as follows:

- Finance and Resources committee – this committee meets 6 times per year and is responsible for overseeing all financial aspects of the trust in order to ensure short- and long-term viability. It also has responsibility for oversight and evaluation of the trust's facility, premises and property processes and effectiveness, maintenance and development throughout the trust.
- Audit and Risk committee – this committee meets at least 3 times a year and is responsible for overseeing all aspects of audit and risk for the trust, both internally and externally, and for the identification and appropriate management of risk throughout the trust and within individual schools in the trust.
- 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.
- People committee – this committee was formed in March 2023 and meets at least 3 times a year. the committee has strategic oversight of the Trust's people-related strategies, risks and opportunities. The committee also oversees the over-arching principles and parameters of performance and remuneration across the Trust.
- 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.
- 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 Trust Governance Professional,
- 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.

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FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

The CEO is the Accounting Officer.

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 Resources Committee for consideration.

The Chair of Trustees is 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 Resources 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 Group and the Academy Trust carry out exit interviews for all staff leaving the organisation and have adopted a procedure of upward feedback for senior management and the Trustees.

The Group and the Academy Trust have 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 Group and the Academy Trust's equal opportunities policy, the Group and the Academy Trust have 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.

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TRUSTEES' REPORT (CONTINUED)
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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 and Balcarras 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 make special educational provision 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 wellbeing and flexible working. Individual staff members have work place disability passports as appropriate to their individual needs.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Objectives, strategies and activities

Review of the year 2022/23

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;
- The Trust is child-centred, giving children and young people, families and carers a voice;
- Through collaboration we challenge and maximise potential for our schools and individuals;
- We ensure the individual identity of each school;
- We develop a climate which is open to change and development;
- We shape the future by influencing services and provisions;
- Individuals are empowered to make decisions using research-based evidence to ensure the quality of education has sound intent, clear implementation and accountable impact;
- Community engagement is embedded in learning experiences, both the local community of the provision and the children and young people;
- Opportunities and activities are provided to support transitions for future learning and employment;
- Skills and knowledge of all employees are 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 needs;

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

- 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 finalised their 2021-26 strategic plan through which the above aims will be delivered. A number of operational and financial key performance indicators are included in the strategy document to ensure the aims noted above can be monitored and achieved over a set period of time. The overarching strategic plan is supported by a number of further strategies including IT, HR, CPD, School Improvement, Estates and Finance. All supporting strategic plans are monitored through the committees. The trustees are currently considering and finalising a Growth strategy.

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 Trust'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.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for the period were approximately 814 (2022: 792).

Another key financial performance indicator is staffing costs as a percentage of total income. For the period, this was 86% (2022: 81%). The Trust board are targeting making a cash neutral position at each school at the end of each academic year.

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 2022-2023 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. With the increased capacity in HR this will allow the Trust to work towards the strategic objective of employer of choice and has also released capacity within the team. We have also employed a Director of School Improvement to support the Schools. This has also lead to more capacity for the CEO to make efficiencies and support change across the Trust. There is now a capital and revenue budget set ensuring funds are available to deliver capital projects and enable staff to continue to provide quality education and care.

The Trust 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.

c. Promoting the success of the company

The Board of Trustees actively promotes the success of the Trust to achieve its charitable objects and is committed to the vision of being Trust of Choice, School of Choice and Employer of Choice.

The Trust has a track record of working in partnership with the Local authority, contractors, community, and parents to deliver positive results. We have collaborative partnerships with local Trusts and Schools who also benefit from both our training and outreach provision and SEN support. We also link with other organisations such as GAPH, GASH, GASSH, G15, GSP, National Star College, University of Gloucestershire, Gloucestershire College, SGS Stroud College, training providers (Prospects and Bridge), Parent Carers (Face 2 Face), Forwards Employment, G First LEP, local businesses and voluntary sector organisations. We work with our suppliers to develop relationships and partnerships.

The Trust is committed to being the employer of choice by developing and investing in our people as they are our most valuable resource. We do this through our CPD offer, coaching, mentoring, wellbeing support and secondments. We are fortunate as a Trust to be able to offer career progression and allow our staff to thrive.

All of our Schools within the Trust are committed to the vision to secure outstanding educational provision so that all of our young people are happy, cared for and want to learn, succeed and grow. The Trust also provides an environment where children and young people can develop their independence skills and support families to take part in a parallel journey with their child and they prepare for adulthood.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Financial review

a. Financial Report for 2022-2023

Most of the Academy Trust's income is obtained from the DfE via the ESFA 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 2023 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. In the year the scheme has been valued at an surplus position. Where a scheme is in a surplus according to the accounting valuation the associated asset has not been recognised on the basis that it is not likely to be recoverable either through future reductions in contributions rates or future repayments.

The academy trust held fund balances at 31 August 2023 of £30,327,080 (2022: £24,777,055) comprising £24,405,196 (2022: £24,548,588) of restricted fixed asset funds, £Nil of pension reserves (2022: £1,906,000), £264,732 (2022: £782,206) of restricted funds for specific funding, and £5,657,152 (2022: £1,352,261) of unrestricted funds.

The Trust has two schools which individually have gone into a deficit fund position at 31 August 2023, but plans are in place to rectify this during 2023-24. This is not deemed to be of impact to the Trusts ability to continue as a going concern as there are sufficient unrestricted funds available.

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.

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TRUSTEES' REPORT (CONTINUED)
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b. Significant events

At the start of the year it has been difficult to recruit across the Trust which led to additional staffing costs as we have had to employ agency staff to fill the gaps. Following on from this, the Trust has been looking at ways to make our employment offer the most attractive in the sector and have looked at the way we advertise vacancies. With there being an area of focus on this we have now been fortunate to finish the year with very few vacancies. Previously, trusts and schools were the only employers that could offer a term time only role, however, other sectors are now offering this option which makes it difficult for our sector to compete especially with the restrictions of spending public money.

In this financial year the Trust has seen the largest pay increases to hit the sector. This meant that once all the pay increases had gone through in November 2022 the Trust completed a reforecast to try and give a more accurate financial picture through the year. All Schools have used reserves to cover the cost. As a Trust we have set a very prudent three year plan which expects the staff costs to continue to increase at the same rate and the same with other costs such as energy. But without an increase to income.

In the year there has also been a decrease in the LGPS employers contribution from 30% to 22.6%. This however does not affect individual employees pension benefits when they chose to retire, as the percentage paid by employers is to fund the scheme.

There has been a large increase in energy costs across the country and we are yet to have borne the financial impact of this across the Trust. The Trust is in its current energy deal until September 2023. During the year we have procured our energy and have remained with West Mercia as they have proven to have the lowest increase in costs.

From the reserves strategy set in September 2021, the Trust has completed several large capital projects. The total capital spend for the year ended August 2023 was £876,000 (2022: £906,000).

The Chamwell Centre Charity

The Chamwell Centre Charity became a wholly owned subsidiary of the Trust on 18 July 2023. The Trust acquired The Chamwell Centre Charity for £Nil consideration. We have appointed three Trustees to the Chamwell Board these are Martin Hughes, Lynn Campbell Davies and Louise Morgan. Part of the decision-making process to acquire control of The Chamwell Centre Charity was:

- Purpose built with some remedial works would be a plus for the Trust offer to other parties
- Value of the building £4.6m. would come into the Trust's Balance Sheet
- Increase profile of the Trust with the community, commercial and other charitable organisations
- Be master of our own destiny with our own facility without having to rely on other organisations
- Future proof hydrotherapy provision across the Trust for all our schools
- Revise the business model and pass any surplus back to the Trust for the benefit of pupils
- Fundraising arm for the Trust and have our Central Support team in one place.

The office space that the Central team worked in has been returned to Milestone for the benefit of our pupils, coupled with releasing space at the Piper Centre (at Willow in Tuffley) and Chapter One (a charity providing respite/after school provision) can rent this space. Most of the children attending are from Milestone, logistically for the children and parents this would be a sensible move.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Reserves Policy

All reserves (restricted, unrestricted and capital funds) across the MAT are pooled centrally with the exception of restricted capital funds and restricted revenue 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 is kept, as recommended by the most current SRMA visit. Each month as part of the management account we look at the working capital ratio which also enables us to look at the right level of reserve.

The unrestricted funds at 31 August 2023 are £5,657,152, of which £1,391k relates to the Academy Trust schools and £4,266k relates to The Chamwell Centre Charity (2022: £1,352,261). Therefore, the Trust has sufficient funds to meet the minimum reserves of £800k as noted above.

There are capital projects required throughout the Trust in order to maintain a safe environment for the pupils and staff. The Trust will make an informed decision as to which projects go ahead. GEMs is a tool used by the Trust's site Lead. GEMs uses the information gathered by surveys to rate projects that need to be completed. These projects will be priced and quotes and then agreed by the Finance Committee.

d. Capital reserves

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

It is the responsibility of the Finance Director 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.

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TRUSTEES' REPORT (CONTINUED)
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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 all committees.

The Trustees ensure that the estate is safe, well maintained and complies with relevant regulations. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks by assurance from the management team. The management team use the DFE Good Estates Management System to build the estates strategy and provide assurance that key risks are mitigated in good time. The Management team also use Health and Safety audits to provide further assurance.

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. However from September 2024 the Trust will no longer be able to apply to CIF as the Trust will be in receipt of SCA funding.

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.

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TRUSTEES' REPORT (CONTINUED)
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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 Academy Trust nursery and consider the viability of such;
- Continue to converse with schools interested in joining (or suggested by the RSC);
- Engineer a change management activity to move the culture of SAND to one that sees each employee as part of the Trust, 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 the Trust 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

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 20 December 2023 and signed on its behalf by:


.....

A Noble
(Chair of Trustees)

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 into account the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees commissioned an External Review of Governance during the period 2021-2022 from CST (Confederation of School Trusts). The review included meetings with key governance stakeholders throughout the trust, meeting observations of the trust board, committees and Local Advisory Boards and a review of all governance paperwork. The CST consultant provided some recommendations to the trust board as a result of the review and the trustees have developed an action plan based on the recommendations which were accepted by the board .

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.

Conflict of interest

All trustees recognise they have a legal duty to act only in the best interests of the trust and that they must not put themselves in any position where their duties as trustee may conflict with any personal interest they may have. Trustees' personal and professional connections can bring benefits to the work of the Trust and they often form part of the reason why an individual has been asked to join the trustee body however there may be a situation where there is a conflict of interest where a trustee's personal interests or loyalties could, or could be seen to prevent them from making a decision only in the best interests of the Trust.

To address these rare situations, the Trust holds a full Register of Business Interests which is recorded on the Trust's website alongside the Scheme of Delegation and Guide to Governance. The register is subdivided into:

- Academy Trust Members
- Trust Board Trustees
- Local Advisory Boards
- Senior Employees

Updates to the register are made as a result of information either resulting from a formal minuted committee meeting, where the first agenda item records any Declarations of Interest in respect of agenda items or otherwise, or from the annual business interests returns, which are completed in readiness for the year end external audit, and refreshed during the year, as circumstances dictate.

If there is a conflict of interest, the committee clerk ensures that the written record of the decision shows that the Trust has acted properly and complied with their duties by recording:

- the nature of the conflict
- which trustee or trustees were affected
- whether any conflicts of interest were declared in advance
- an outline of the discussion
- whether anyone withdrew from the discussion
- how the trustees took the decision in the best interests of the Trust

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.

Committee meetings remained virtual during the period with full board returning to face-to-face meetings. Trustees have agreed to use the functionality within GovernorHub to mark minutes as signed and this has been completed as far as possible.

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

Trustee	Meetings attended	Out of a possible
K Brimfield	6	6
L Dance	2	2
D Ellis	5	6
L R Grainger	4	5
M L Henry	4	6
M Hughes, Chief Executive	4	4
S McGurk	4	5
A Noble, Chair of Trustees	6	6
R Pattenden	0	0
C Peutrill	3	5
C A Sellick	3	4
D Sleep	2	4
B Williams	0	3
C Wild	4	4
A Winwood	5	5
D S Young	0	0

The **Finance and Resources Committee** is a 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 during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Dance	1	1
D Young	1	1
D Ellis	2	2
M Hughes	4	4
C Sellick	3	3
C Wild	4	4
S McGurk	3	4
L Grainger	4	4

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Audit and Risk Committee** is a committee of the main board of Trustees. Its purpose is to oversee all aspects of audit and risk for the Trust, both internally and externally, and for the identification and appropriate management of risks throughout the Trust and within the schools. 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	0	0
C Peutril	1	2
L Grainger	2	2
A Noble	2	2
M Hughes	2	2
D Ellis	2	2
K Brimfield	2	2

The **Quality of Education Committee** is a committee of the main board of Trustees. The committee 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.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Dance	2	2
K Brimfield	3	3
A Noble	2	5
B Williams	2	4
A Winwood	3	3
R Pattenden	1	1
M Hughes	3	3

The **People committee** (from March 2023) is a committee of the main board of Trustees. The committee is responsible for overseeing all HR related aspects of the trust in order to ensure short- and long-term viability. It also has responsibility for oversight of the over-arching principles and parameters of performance and remuneration across the Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Hughes	2	2
K Brimfield	2	2
D Sleep	1	2
M Henry	2	2

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Audit and Risk committee and Finance and Resources committee** held a joint meeting in December 2022.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Dance	1	1
D Ellis	1	1
K Brimfield	1	1
C Sellick	1	1
M Henry	1	1

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 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.

We have reviewed the Estates strategy going forwards to ensure value for money. The Trust has adopted the DfE framework Good Estates Management. This system sets the priorities for the year which allows the Trust to consider each area and risk. External surveys are carried out and this information is fed back into Good Estates Management. From here we are able to build the Estates strategy. Which then enables us to go out to suppliers for the best price as a group as we look to complete works in a way that maximises the economies of scale across. Through the current academic year and the next the Trust is working towards becoming more sustainable. The first move towards this has been when replacing lighting, ensuring that this is replaced with LED.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 2022 to 31 August 2023 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 2022 to 31 August 2023 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 Resources 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
- 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 report has since been received and reviewed.

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, and to confirm that the income is complete.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

1. Accuracy - On a sample basis, confirm the accuracy of ESFA and LA grant income received via proof in total by taking a monthly remittance and comparing this to the GAG statements. For other income (hire of facilities, catering, teaching school and other miscellaneous income) on a sample basis, confirm the accuracy of income. Confirm from source documentation that income has been posted into the system accurately.

2. Treatment - Review the accounting treatment of grant income in accordance with the systems notes and procedures as Finance Policy ratified at Board level and in reference to the FRF.

3. Completeness - Gain comfort through analytical review that the Trust has received or is due to receive all monies for which it is entitled to.

The outcome of the audit was that income is correctly accounted for inline with the above.

A recommendation was to ensure that future reviews are selected by the Board in a more systematic fashion, particularly by reference to the risk register which will highlight areas for review where the risk of failure or the impact will be higher. This will be considered when selecting areas for review in the 2023-24 year.

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 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 work of the external auditor;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the 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 20 December 2023 and signed on their behalf by:



.....
A Noble
Chair of Trustees



.....
M Hughes
Accounting Officer

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF 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 and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 Academy Trust Handbook 2022.

The accounting officer of SAND Academies Trust prior to 1 January 2023 was L Dance. At the date of resignation, an interim statement of regularity, propriety and compliance was signed. This acknowledges that prior to 1 January 2023, L Dance was responsible for the public funds under their control and confirms that no instances of material irregularity, impropriety or funding non-compliance had been discovered to that date.

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.



M Hughes
Accounting Officer
Date: 20 December 2023

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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 . 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 Group and the charitable company and of their incoming resources and application of resources, including their 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 2022 to 2023;
- 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 group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group'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:



A Noble
(Chair of Trustees)
Date: 20 December 2023

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 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, the Consolidated 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 2022 to 2023 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 Group's and of the parent Academy Trust's affairs as at 31 August 2023 and of the Group's 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 2022 to 2023 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 Group 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 Group's or the parent 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 Group and the parent 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:

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust 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 Statement of Trustees' Responsibilities, 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 Group's and the parent 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 Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

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

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.

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) - NOT YET SIGNED

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Fourth Floor

St James House

St James Square

Cheltenham

GL50 3PR

Date:

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 31 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, 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 2022 to 31 August 2023 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 Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Crowe U.K. LLP

Statutory Auditor

Date:

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants:	3					
The Chamwell Centre Charity		4,266,352	264,732	-	4,531,084	-
Other donations and capital grants		17,218	-	464,578	481,796	104,840
Other trading activities		347,736	-	-	347,736	151,454
Investments		170	-	-	170	253
Charitable activities		176,391	17,631,109	-	17,807,500	16,673,398
Total income		4,807,867	17,895,841	464,578	23,168,286	16,929,945
Expenditure on:						
Charitable activities		22,629	18,513,447	1,020,185	19,556,261	18,924,654
Total expenditure		22,629	18,513,447	1,020,185	19,556,261	18,924,654
Net income/(expenditure)		4,785,238	(617,606)	(555,607)	3,612,025	(1,994,709)
Transfers between funds	19	(480,347)	68,132	412,215	-	-
Net movement in funds before other recognised gains/(losses)		4,304,891	(549,474)	(143,392)	3,612,025	(1,994,709)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	6,798,000	-	6,798,000	13,742,000
Pension surplus not recognised	26	-	(4,860,000)	-	(4,860,000)	-
Net movement in funds		4,304,891	1,388,526	(143,392)	5,550,025	11,747,291

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	1,352,261	(1,123,794)	24,548,588	24,777,055	13,029,764
Net movement in funds	4,304,891	1,388,526	(143,392)	5,550,025	11,747,291
Total funds carried forward	5,657,152	264,732	24,405,196	30,327,080	24,777,055

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

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	13	30,981	-
Tangible assets	14	28,706,596	24,548,588
		<u>28,737,577</u>	<u>24,548,588</u>
Current assets			
Debtors	16	1,150,574	437,711
Cash at bank and in hand		1,678,618	2,397,898
		<u>2,829,192</u>	<u>2,835,609</u>
Creditors: amounts falling due within a year	17	(1,239,689)	(701,142)
Net current assets		<u>1,589,503</u>	<u>2,134,467</u>
Total assets less current liabilities		<u>30,327,080</u>	<u>26,683,055</u>
Net assets excluding pension asset / liability		<u>30,327,080</u>	<u>26,683,055</u>
Defined benefit pension scheme liability	26	-	(1,906,000)
Total net assets		<u><u>30,327,080</u></u>	<u><u>24,777,055</u></u>

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	24,405,196	24,548,588
Restricted income funds	19	264,732	782,206
		<u>24,669,928</u>	<u>25,330,794</u>
Restricted funds excluding pension asset	19	24,669,928	25,330,794
Pension reserve	19	-	(1,906,000)
		<u>24,669,928</u>	<u>23,424,794</u>
Total restricted funds	19	24,669,928	23,424,794
Unrestricted income funds	19	5,657,152	1,352,261
		<u>30,327,080</u>	<u>24,777,055</u>
Total funds		30,327,080	24,777,055

The financial statements on pages 32 to 75 were approved by the Trustees, and authorised for issue on 20 December 2023 and are signed on their behalf, by:



A Noble
 (Chair of Trustees)

The notes on pages 39 to 75 form part of these financial statements.

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

ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	24,405,196	24,548,588
		<u>24,405,196</u>	<u>24,548,588</u>
Current assets			
Debtors	16	1,071,302	437,711
Cash at bank and in hand		1,509,549	2,397,898
		<u>2,580,851</u>	<u>2,835,609</u>
Creditors: amounts falling due within one year	17	(1,190,051)	(701,142)
Net current assets		1,390,800	2,134,467
Total assets less current liabilities		25,795,996	26,683,055
Net assets excluding pension asset / liability		25,795,996	26,683,055
Defined benefit pension scheme asset / liability	26	-	(1,906,000)
Total net assets		25,795,996	24,777,055

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

ACADEMY TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	24,405,196	24,548,588
Restricted income funds	19	-	782,206
Restricted funds excluding pension asset / liability	19	<u>24,405,196</u>	<u>25,330,794</u>
Pension reserve	19	-	(1,906,000)
Total restricted funds	19	24,405,196	23,424,794
Unrestricted income funds	19	1,390,800	1,352,261
Total funds		<u>25,795,996</u>	<u>24,777,055</u>

The financial statements on pages 32 to 75 were approved by the Trustees, and authorised for issue on 20 December 2023 and are signed on their behalf, by:



A Noble
(Chair of Trustees)

The notes on pages 39 to 75 form part of these financial statements.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(476,051)	312,726
Cash flows from investing activities	23	(243,146)	(906,342)
Cash flows from financing activities	22	(83)	253
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(719,280)	(593,363)
Cash and cash equivalents at the beginning of the year		2,397,898	2,991,261
Cash and cash equivalents at the end of the year	24, 25	1,678,618	2,397,898

The notes on pages 39 to 75 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 2023

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

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 2023

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 Consolidated 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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 Group's educational operations, including support costs and costs relating to the governance of the Group 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 Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Intangible assets

Intangible assets costing £NIL or more are capitalised and recognised when future economic benefits are probable, and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	-	5 years
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SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.7 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 Consolidated 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 Consolidated Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following 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 Consolidated Statement of Financial Activities.

1.8 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.

1.9 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.

1.10 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 Group 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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.11 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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 17. 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.

1.12 Operating leases

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

1.13 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated 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.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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 Group 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 26, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

The asset values are reported using estimated asset allocations prepared by the scheme Actuary. The asset value is calculated at each triennial valuation. Thereafter it is rolled forward to accounting dates using investment returns, contributions received and benefits paid out. During each annual reporting period between triennial valuations, asset returns are estimated using 11 months of market experience and one month of extrapolation being assumed.

Where a scheme is in a surplus according to the accounting valuation the associated asset has not been recognised on the basis that it is not likely to be recoverable either through future reductions in contributions rates or future repayments. Further details of pension assets not recognised can be found with the pensions note to the financial statements.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	17,218	-	-	17,218
Capital grants	-	-	416,419	416,419
The Chamwell Centre Charity	4,266,352	264,732	-	4,531,084
Capital donations	-	-	48,159	48,159
	<u>4,283,570</u>	<u>264,732</u>	<u>464,578</u>	<u>5,012,880</u>

	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Capital Grants	67,000	67,000
Capital donations	37,840	37,840
	<u>104,840</u>	<u>104,840</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Funding for Educational Operations			
DfE/ESFA grants			
Other DfE/ESFA grants			
General Annual Grant (GAG)	-	7,136,498	7,136,498
Pupil premium	-	565,477	565,477
PE & Sports Grant	-	83,685	83,685
Other grants	-	182,354	182,354
National Tutoring Grant	-	292,323	292,323
	-	8,260,337	8,260,337
Other Government grants			
Local authority grants	-	8,340,441	8,340,441
Out of Country	-	152,712	152,712
Teachers' Pay Grant	-	422,579	422,579
	-	8,915,732	8,915,732
Other income from the Academy Trust's funding for educational operations	176,391	455,040	631,431
	176,391	17,631,109	17,807,500

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Funding for Educational Operations			
DfE/ESFA grants			
Other DfE/ESFA grants			
General Annual Grant (GAG)	-	7,002,043	7,002,043
Pupil Premium	-	476,928	476,928
PE & Sports Grant	-	82,940	82,940
Other grants	-	174,077	174,077
	-	7,735,988	7,735,988
Other Government grants			
Local authority grants	-	7,862,951	7,862,951
Teachers' Pay Grant	-	409,819	409,819
	-	8,272,770	8,272,770
Other income from the Academy Trust's funding for educational operations	125,659	538,981	664,640
	125,659	16,547,739	16,673,398

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Hire of facilities	78,771	78,771
Catering income	74,386	74,386
Income from clubs	194,579	194,579
	347,736	347,736

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Hire of facilities	102,654	102,654
Catering income	36,702	36,702
Income from clubs	12,098	12,098
	<u>151,454</u>	<u>151,454</u>

6. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Funding for Educational Operations:				
Direct costs	6,889,175	-	2,197,029	9,086,204
Allocated support costs	8,907,280	457,649	1,105,128	10,470,057
	<u>15,796,455</u>	<u>457,649</u>	<u>3,302,157</u>	<u>19,556,261</u>

	<i>Staff Costs 2022 £</i>	<i>Premises 2022 £</i>	<i>Other 2022 £</i>	<i>Total 2022 £</i>
Funding for Educational Operations:				
Direct costs	6,322,306	-	1,815,009	8,137,315
Allocated support costs	9,219,863	366,630	1,200,846	10,787,339
	<u>15,542,169</u>	<u>366,630</u>	<u>3,015,855</u>	<u>18,924,654</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Funding for Educational Operations	9,086,204	10,470,057	19,556,261
	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Funding for Educational Operations	8,137,315	10,787,339	18,924,654

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Funding for educational operations 2023 £	Total funds 2023 £
Staff costs	8,907,280	8,907,280
Net interest cost on LGPS	80,000	80,000
Support staff costs	53,964	53,964
Maintenance of premises	285,674	285,674
Cleaning	171,975	171,975
Utility, rent & rates	295,688	295,688
Insurance	46,545	46,545
Security and transport	53,722	53,722
Consultancy costs	289,245	289,245
Other support costs	202,930	202,930
Legal costs	31,744	31,744
Governance costs	51,290	51,290
	<u>10,470,057</u>	<u>10,470,057</u>

Included within staff costs and governance costs above are governance costs totalling £98,415 (2022: £73,809). Governance costs are costs of administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Funding for educational operations 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	9,219,863	9,219,863
Net interest cost on LGPS	239,000	239,000
Support staff costs	84,335	84,335
Maintenance of premises	250,666	250,666
Cleaning	115,964	115,964
Utility, rent & rates	238,745	238,745
Insurance	13,204	13,204
Security and transport	53,525	53,525
Consultancy costs	352,011	352,011
Other support costs	172,842	172,842
Legal costs	17,684	17,684
Governance costs	29,500	29,500
	<u>10,787,339</u>	<u>10,787,339</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	9,558	9,552
Depreciation of tangible fixed assets	1,020,185	882,736
Fees paid to auditor for:		
- audit	18,450	24,522
- other services	4,425	5,880
	<u>18,878</u>	<u>110,736</u>

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2023 £	<i>Group 2022 £</i>	Academy Trust 2023 £	<i>Academy Trust 2022 £</i>
Wages and salaries	11,770,139	10,044,962	11,770,139	10,044,962
Social security costs	933,078	882,025	933,078	882,025
Pension costs	2,844,451	4,390,546	2,844,451	4,390,546
	15,547,668	15,317,533	15,547,668	15,317,533
Agency staff costs	248,787	224,636	248,787	224,636
	15,796,455	15,542,169	15,796,455	15,542,169

Included within wages and salaries is a settlement amount of £64,556 (2022: £Nil).

b. Severance payments

The Group paid 4 severance payments in the year, disclosed in the following bands:

	Group 2023 No.
£0 - £25,000	4

The individual amounts paid were £10,549, £13,812, £17,129 and £23,067.

SAND ACADEMIES TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff (continued)

c. Staff numbers

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

	Group 2023 No.	<i>Group 2022 No.</i>
Teachers	91	99
Administration and support	407	390
Management	25	17
	523	506

d. Higher paid staff

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

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	5	4
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1

e. 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 £965,235 (2022 £1,344,917).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Central services

The Group 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 Group 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. This 'top slice' equates to approximately 9% of income for each school. 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:

	2023 £	2022 £
The Milestone School	421,184	552,854
Paternoster School	96,216	98,285
Battledown Centre for Children and Families	190,081	110,571
Belmont School	505,246	270,284
Willow Primary Academy	70,834	196,570
Sladewood Academy	171,476	-
Total	1,455,037	1,228,564

11. 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:

		2023 £	2022 £
L Dance	Remuneration	30,000 - 35,000	100,000 - 105,000
	Pension contributions paid	5,000 - 10,000	20,000 - 25,000
M Hughes	Remuneration	65,000 - 70,000	Nil
	Pension contributions paid	15,000 - 20,000	Nil

During the year ended 31 August 2023, expenses totalling £556 were reimbursed or paid directly to 1 Trustee (2022 : £Nil).

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NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' and Officers' insurance

The Group 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.

13. Intangible assets

Group

	Computer software £
Cost	
On acquisition of subsidiaries	44,245
At 31 August 2023	<u>44,245</u>
Amortisation	
On acquisition of subsidiaries	13,264
At 31 August 2023	<u>13,264</u>
Net book value	
At 31 August 2023	<u><u>30,981</u></u>
At 31 August 2022	<u><u>-</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets												
Group	Leasehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £					
Cost or valuation												
At 1 September 2022	25,394,906	-	937,961	-	273,828	53,044	26,659,739					
Additions	294,146	-	360,816	-	161,310	60,521	876,793					
On acquisition of subsidiaries	-	4,385,133	16,857	177,111	-	-	4,579,101					
At 31 August 2023	25,689,052	4,385,133	1,315,634	177,111	435,138	113,565	32,115,633					
Depreciation												
At 1 September 2022	1,739,887	-	207,995	-	147,660	15,609	2,111,151					
Charge for the year	640,343	-	227,427	-	137,979	14,436	1,020,185					
On acquisition of subsidiaries	-	208,722	4,989	63,990	-	-	277,701					
At 31 August 2023	2,380,230	208,722	440,411	63,990	285,639	30,045	3,409,037					

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FOR THE YEAR ENDED 31 AUGUST 2023**

14. Tangible fixed assets (continued)	Leasehold property £	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Motor vehicles £	Total £
Group (continued)							
Net book value							
At 31 August 2023	23,308,822	4,176,411	875,223	113,121	149,499	83,520	28,706,596
At 31 August 2022	23,655,019	-	729,966	-	126,168	37,435	24,548,588

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FOR THE YEAR ENDED 31 AUGUST 2023**

14. Tangible fixed assets (continued)	Academy Trust					Total
Cost or valuation	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	£	
At 1 September 2022	25,394,906	937,961	273,828	53,044	26,659,739	
Additions	294,146	360,816	161,310	60,521	876,793	
At 31 August 2023	<u>25,689,052</u>	<u>1,298,777</u>	<u>435,138</u>	<u>113,565</u>	<u>27,536,532</u>	
Depreciation						
At 1 September 2022	1,739,887	207,995	147,660	15,609	2,111,151	
Charge for the year	640,343	227,427	137,979	14,436	1,020,185	
At 31 August 2023	<u>2,380,230</u>	<u>435,422</u>	<u>285,639</u>	<u>30,045</u>	<u>3,131,336</u>	
Net book value						
At 31 August 2023	<u>23,308,822</u>	<u>863,355</u>	<u>149,499</u>	<u>83,520</u>	<u>24,405,196</u>	
At 31 August 2022	<u>23,655,019</u>	<u>729,966</u>	<u>126,168</u>	<u>37,435</u>	<u>24,548,588</u>	

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15. Fixed asset investments

During the year, SAND Academies Trust acquired 100% of the share capital of The Chamwell Centre Charity, along with its 100% owned subsidiary, Chamwell Development and Trading Limited.

The registered office of both entities is The Milestone School, Longford Lane, Gloucester, GL2 9EU.

Further information regarding the acquisition can be found in note 18.

16. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Academy Trust 2023 £	<i>Academy Trust 2022 £</i>
Trade debtors	154,905	35,511	129,302	35,511
Other debtors	99,912	125	87,491	125
Called up share capital not paid	2	-	-	-
Prepayments and accrued income	676,496	294,456	635,250	294,456
Tax recoverable	219,259	107,619	219,259	107,619
	1,150,574	437,711	1,071,302	437,711

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NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Academy Trust 2023 £	<i>Academy Trust 2022 £</i>
Trade creditors	560,016	123,178	543,958	123,178
Other taxation and social security	256,312	209,439	247,277	209,439
Other creditors	299,713	302,040	295,945	302,040
Accruals and deferred income	123,648	66,485	102,871	66,485
	1,239,689	<i>701,142</i>	1,190,051	<i>701,142</i>
			Group 2023 £	<i>Group 2022 £</i>
Deferred income at 1 September 2022			26,047	239,859
Resources deferred during the year			22,998	26,047
Amounts released from previous periods			(26,047)	(239,859)
			22,998	26,047

At the balance sheet date, the Academy Trust was holding funds received in advance for £22,998 of UIFSM funding received in advance of the 2023/24 financial year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Business combinations

On 18 July 2023 the Academy Trust acquired The Chamwell Centre Charity for £Nil consideration. The movement in funds between 18 July 2023 and 31 August 2023 is deemed to be immaterial to the Trust and therefore the balance sheet at 31 August 2023 has been transferred into the Trust at fair value.

The assets and liabilities acquired are set out below.

	Book value	Fair value
	£	£
Fixed Assets		
Tangible	4,301,400	4,301,400
Intangible	30,983	30,983
	4,332,383	4,332,383
Current Assets		
Debtors	79,270	79,270
Cash at bank and in hand	169,069	169,069
	4,580,722	4,580,722
Total Assets		
Creditors		
Due within one year	(49,638)	(49,638)
	4,531,084	4,531,084
Total identifiable net assets		
Income recognised on acquisition		(4,531,084)
Total purchase consideration		-

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19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Unrestricted funds	1,003,039	462,744	(22,629)	(480,347)	-	962,807
School Fund	(62,735)	-	-	-	-	(62,735)
Hire of facilities	298,111	78,771	-	-	-	376,882
Other funding	113,846	-	-	-	-	113,846
Chamwell Charity Centre	-	4,266,352	-	-	-	4,266,352
	<u>1,352,261</u>	<u>4,807,867</u>	<u>(22,629)</u>	<u>(480,347)</u>	<u>-</u>	<u>5,657,152</u>
Restricted general funds						
General Annual Grant (GAG)	210,712	7,136,498	(7,415,342)	68,132	-	-
Pupil Premium	-	565,477	(565,477)	-	-	-
PE & Sports Grant	-	83,685	(83,685)	-	-	-
Teaching School	477,905	-	-	(477,905)	-	-
Other DfE/ESFA	-	182,354	(182,354)	-	-	-
Local authority grants	93,589	8,340,441	(8,434,030)	-	-	-
Other restricted funds	-	455,040	(932,945)	477,905	-	-
National Tutoring Grant	-	292,323	(292,323)	-	-	-
LA: Out of Country	-	152,712	(152,712)	-	-	-
LA: Teachers' Pay Grant	-	422,579	(422,579)	-	-	-
Chamwell Charity Centre	-	264,732	-	-	-	264,732
Pension reserve	(1,906,000)	-	(32,000)	-	1,938,000	-
	<u>(1,123,794)</u>	<u>17,895,841</u>	<u>(18,513,447)</u>	<u>68,132</u>	<u>1,938,000</u>	<u>264,732</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Restricted fixed asset funds

Fixed Asset Fund - Academy	24,548,588	464,578	(1,020,185)	412,215	-	24,405,196
Total Restricted funds	23,424,794	18,360,419	(19,533,632)	480,347	1,938,000	24,669,928
Total funds	24,777,055	23,168,286	(19,556,261)	-	1,938,000	30,327,080

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 Trust's declared objectives.

Other DfE/ESFA grants relate to Government funding for the provision of education by the Trust and have been fully expended in the year. Funding is repayable if the Academy does not meet all funding requirements.

Restricted Fixed Asset Funds:

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

Unrestricted funds:

This 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.

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 2023.

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Unrestricted funds	1,003,039	-	-	-	-	1,003,039
School Fund	(169,034)	125,659	(19,360)	-	-	(62,735)
Hire of facilities	195,457	102,654	-	-	-	298,111
Other funding	66,779	49,053	(1,986)	-	-	113,846
	<u>1,096,241</u>	<u>277,366</u>	<u>(21,346)</u>	<u>-</u>	<u>-</u>	<u>1,352,261</u>
Restricted general funds						
General Annual Grant (GAG)	830,589	7,002,043	(6,820,418)	(801,502)	-	210,712
Pupil Premium	14,018	476,928	(490,946)	-	-	-
UIFSM	-	43,893	(43,893)	-	-	-
PE & Sports Grant	78,521	82,940	(161,461)	-	-	-
Teaching School	86,463	470,468	(79,026)	-	-	477,905
Other DfE/ESFA	-	7,000	(7,000)	-	-	-
Local authority grants	13,912	8,395,954	(8,316,277)	-	-	93,589
Covid catch up premium	20,038	-	(20,038)	-	-	-
Other restricted funds	-	68,513	(68,513)	-	-	-
Pension reserve	(13,635,000)	-	(2,013,000)	-	13,742,000	(1,906,000)
	<u>(12,591,459)</u>	<u>16,547,739</u>	<u>(18,020,572)</u>	<u>(801,502)</u>	<u>13,742,000</u>	<u>(1,123,794)</u>
Restricted fixed asset funds						
Fixed Asset Fund - Academy	24,524,982	104,840	(882,736)	801,502	-	24,548,588

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Total Restricted funds	11,933,523	16,652,579	(18,903,308)	-	13,742,000	23,424,794
Total funds	13,029,764	16,929,945	(18,924,654)	-	13,742,000	24,777,055

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
The Milestone School	60,298	221,441
Paternoster School	(95,082)	1,750
Battledown Centre	460,052	525,591
Belmont School	1,466,493	1,326,819
Willow Primary	(515,445)	58,866
Central funds	10,190	-
The Chamwell Centre Charity	4,531,084	-
Sladewood Academy	4,294	-
	5,921,884	2,134,467
Total before fixed asset funds and pension reserve		
Restricted fixed asset fund	24,405,196	24,548,588
Pension reserve	-	(1,906,000)
	30,327,080	24,777,055
Total	30,327,080	24,777,055

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Paternoster School	(95,082)
Willow Primary	(515,445)
	(610,527)

Willow Primary

This school came to the Trust rated inadequate by Ofsted. Over the past year it has gone from strength to strength based on internal and external scrutiny feedback which has resulted in a 17% increase in pupils for the 2023-24 academic year. In readiness for a further Ofsted visit the Trust provided the school with additional support through the central leadership team.

Paternoster School

During the year a member of staff left the school under a settlement agreement, and there have been fewer 'out of county' placements - both of which have had a financial impact on the school. In readiness for a further Ofsted visit the Trust provided the school with additional support through the central leadership team.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

The Academy Trust is taking the following action to return the academies to surplus:

Willow Primary

With an increase in pupil numbers at September 2023, and a further increase planned for the new primary intake, the school will return to a surplus position. As the standards within the school improve there will be less input required from the central leadership team, also helping to improve the financial position of the school.

Paternoster School

Between January 2023 and August 2023, the leadership team has been restructured and roles have not been fully replaced. There has also been an increase in 'out of county' placements in the 2023-24 academic year. Following the support provided, the recent Ofsted visit graded the school as being 'good' so it is expected that all of these factors will lead to an improved financial position.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. 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 2023
	£	£	£	£	£
The Milestone School	6,119,806	747,780	660,951	234,319	7,762,856
Paternoster School	1,430,466	78,595	251,009	99,007	1,859,077
Battledown Centre	1,311,919	153,842	196,553	76,444	1,738,758
Belmont School	2,892,971	145,036	385,758	221,162	3,644,927
Willow Primary	1,487,407	43,678	311,183	134,750	1,977,018
Sladewood Academy	20,741	-	118,621	5,451	144,813
The Chamwell Centre Charity	-	-	-	-	-
Central services	-	1,115,437	272,959	20,231	1,408,627
Academy Trust	13,263,310	2,284,368	2,197,034	791,364	18,536,076

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 2022</i>
	£	£	£	£	£
The Milestone School	5,513,493	609,421	387,008	460,361	6,970,283
Paternoster School	1,339,263	112,095	82,497	206,179	1,740,034
Battledown Centre	1,159,057	185,904	88,983	82,744	1,516,688
Belmont School	2,353,474	185,024	211,766	224,251	2,974,515
Willow Primary	913,090	115,908	272,638	138,715	1,440,351
Teaching School	79,026	-	-	-	79,026
Central Funds	586,430	2,086,322	185,489	462,780	3,321,021
Academy Trust	11,943,833	3,294,674	1,228,381	1,575,030	18,041,918

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	4,301,400	-	24,405,196	28,706,596
Intangible fixed assets	30,981	-	-	30,981
Current assets	1,324,771	1,504,421	-	2,829,192
Creditors due within one year	-	(1,239,689)	-	(1,239,689)
Total	5,657,152	264,732	24,405,196	30,327,080

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	24,548,588	24,548,588
Current assets	1,352,261	1,483,348	-	2,835,609
Creditors due within one year	-	(701,142)	-	(701,142)
Provisions for liabilities and charges	-	(1,906,000)	-	(1,906,000)
Total	1,352,261	(1,123,794)	24,548,588	24,777,055

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NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023	2022
	£	£
Net income/(expenditure) for the year (as per Statement of Financial Activities)	3,612,025	(1,994,709)
Adjustments for:		
Depreciation	1,020,185	882,736
Capital grants from DfE and other capital income	(464,578)	-
Defined benefit pension scheme cost less contributions payable	(48,000)	1,774,000
Defined benefit pension scheme finance cost	80,000	239,000
Bank interest	83	(253)
Increase in debtors	(633,591)	(166,737)
Increase/(decrease) in creditors	488,909	(421,311)
Inherited on acquisition of subsidiary	(4,362,015)	-
Cash acquired on acquisition of subsidiary	(169,069)	-
Net cash (used in)/provided by operating activities	(476,051)	312,726

22. Cash flows from financing activities

	Group	Group
	2023	2022
	£	£
Bank interest	(83)	253

23. Cash flows from investing activities

	Group	Group
	2023	2022
	£	£
Purchase of tangible fixed assets	(876,793)	(906,342)
Cash acquired on acquisition of subsidiary	169,069	-
Capital grants from DfE and other capital income	464,578	-
Net cash used in investing activities	(243,146)	(906,342)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. Analysis of cash and cash equivalents

	Group 2023	<i>Group 2022</i>
	£	£
Cash in hand and at bank	1,678,618	2,397,898

25. Analysis of changes in net debt

	At 1 September 2022	Cash flows	Acquisition and disposal of subsidiaries	At 31 August 2023
	£	£	£	£
Cash at bank and in hand	2,397,898	(888,349)	169,069	1,678,618
	2,397,898	(888,349)	169,069	1,678,618

26. 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 2022.

Contributions amounting to £291,172 were payable to the schemes at 31 August 2023 (2022 - £293,005) and are included within creditors.

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. Pension commitments (continued)

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 result of the 31 March 2022 valuation is due to be implemented from 1 April 2024 which confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The employer's pension costs paid to TPS in the year amounted to £1,075,134 (2022 - £964,657).

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

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 2023 was £2,213,000 (2022 - £1,991,000), of which employer's contributions totalled £1,813,000 (2022 - £1,675,000) and employees' contributions totalled £ 400,000 (2022 - £316,000). 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 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Discount rate for scheme liabilities	5.20	4.25
Rate of increase in salaries	3.45	3.35
Inflation assumption (CPI)	2.95	3.05

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.0	21.7
Females	24.4	24.1
<i>Retiring in 20 years</i>		
Males	20.9	22.6
Females	25.6	25.8

Sensitivity analysis

	2023	2022
	£000	£000
0.5% decrease in real discount rate	2,015	2,110
0.5% increase in the salary increase rate	215	220
0.5% increase in the pension increase rate (CPI)	1,825	1,910

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2023	2022
	£	£
Equities	13,166,000	9,640,000
Corporate bonds	4,253,000	2,694,000
Property	2,431,000	1,559,000
Cash and other liquid assets	405,000	284,000
Total market value of assets	20,255,000	14,177,000

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

The actual return on scheme assets was £3,349,000 (2022 - £-984,000).

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

	2023 £	2022 £
Current service cost	(1,765,000)	(3,449,000)
Interest income	646,000	230,000
Interest cost	(726,000)	(469,000)
Actuarial (loss)/gain	6,798,000	13,742,000
Total amount recognised in the Consolidated Statement of Financial Activities	4,953,000	10,054,000

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

	2023 £	2022 £
At 1 September	16,083,000	26,575,000
Interest cost	726,000	469,000
Employee contributions	400,000	316,000
Benefits paid	(130,000)	-
Current service cost	1,765,000	3,449,000
Changes in financial assumptions	(3,449,000)	(14,726,000)
At 31 August	15,395,000	16,083,000

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

	2023 £	2022 £
At 1 September	14,177,000	12,940,000
Derecognition of surplus	(4,860,000)	-
Interest income	646,000	230,000
Employee contributions	400,000	316,000
Return on assets	3,349,000	(984,000)
Employer contributions	1,813,000	1,675,000
Benefits paid	(130,000)	-
At 31 August	15,395,000	14,177,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

27. Operating lease commitments

At 31 August 2023 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Academy Trust 2023 £	<i>Academy Trust 2022 £</i>
Not later than 1 year	9,552	9,552
Later than 1 year and not later than 5 years	2,600	12,152
	12,152	21,704

28. 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.

29. 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 Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Trust has taken advantage of the exemption available under FRS 102 from disclosing transactions with entities that are wholly owned within the group.

Additional, non-group related party transactions are disclosed as follows:

During the year to 31 August 2023, an invoice totalling £1,400 (2022: £Nil) was paid to Lewis Grainger Ltd for IT consultancy services. L Grainger (Trustee) is a Director of this company.

In the year Charter Noble Independent Safeguarding provided £2,950 of services to the group (2022: £Nil). £2,700 of this was invoiced to SAND Academies Trust and £250 was invoiced to The Chamwell Centre Charity. A Noble (Trustee) is a Director and S Harvey (Member) is a Shareholder of Carter Noble Independent Safeguarding.

S Harvey (Member) was also remunerated for £556 for expenses occurred in the year in relation to recruitment costs.