

**Specialist Learning Trust**  
(A company limited by guarantee)

**Annual report and financial statements**

**For the year ended 31 August 2021**

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Reference and Administrative Details**  
**For the Year Ended 31 August 2021**

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<b>Members</b>	Ms S Colquhoun Mrs V Hemmings Dr J Kelly Mrs S McKale Mrs B Hart (appointed 1 September 2020)
<b>Trustees</b>	Ms S Colquhoun (Chair until 17 September 2021) Mr G Parsons* (Chair from 21 September 2021) Mrs T Gillen (Vice chair) (resigned 31 December 2020) Mrs TJ Brodie* (Chair of Finance and Audit Committee) Mr J Plummer Mrs M Farah Mrs S Martin Mr C Hagreen* (appointed 9 February 2021) Mrs I Vassallo (appointed 9 February 2021)

\* members of the Finance and Audit Committee

**Company registered number** 10877352 (England and Wales)

**Principal and registered office** Glebe School  
Hawes Lane  
West Wickham  
Kent  
BR4 9AE

**Senior management team** Mr I Travis, Headteacher, CEO and Accounting Officer  
Mrs M Rodger-Weetman, Senior Deputy Headteacher  
Mr M Kitteridge, Deputy Headteacher (appointed 1 September 2020)  
Mrs T Kitteridge, Assistant Headteacher (appointed 1 September 2020)  
Mrs L Exford, Chief Financial Officer  
Mrs S Wilcox, School Business Manager (resigned 13 August 2021)  
Mrs J Joyce, School Business Manager (appointed 31 August 2021)

**Independent auditors** UHY Kent LLP t/a UHY Hacker Young  
Chartered Accountants,  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

**Bankers** Lloyds Bank plc  
6-8 Market Square  
Bromley  
Kent  
BR1 1NA

**Solicitors** Browne Jacobson LLP  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

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## **Specialist Learning Trust**

### **(A company limited by guarantee)**

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#### **Trustees' report**

#### **For the year ended 31 August 2021**

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

The academy trust operates one secondary special academy school in the London Borough of Bromley. Its school is undergoing a period of expansion with a pupil capacity of 246 and had a roll of 238 in the October 2020 school census. Pupil numbers are expected to increase to 260 in September 2021.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Specialist Learning Trust are also the directors for the purposes of company law. The charitable company operates as the Specialist Learning Trust.

The trustees of the Specialist Learning Trust are also the directors for the purposes of company law. The academy trust is known as Specialist Learning Trust.

Under the terms of its Articles, the Academy Trust shall have the following trustees:

- Up to 12 trustees appointed by the members, including the chief executive officer providing that he agrees so to act;
- A minimum of two parent trustees;
- The academy trust may also have any co-opted trustee appointed by the trustees who have not themselves been so appointed;
- The total number of trustees, including the chief executive officer, who are employees of the academy trust shall not exceed one third of the total number of trustees.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

#### **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.

#### **Trustees' indemnities**

The academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees. The academy trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the academy trust.

Details of the insurance cover are provided in note 14 to the financial statements.

#### **Method of recruitment and appointment or election of trustees**

Under the terms of its Articles, the academy trust shall have the following trustees:

- Up to 12 trustees appointed by the members, including the chief executive officer providing that he agrees so to act;
- A minimum of two parent trustees;
- The academy trust may also have any co-opted trustee appointed by the trustees who have not themselves been so appointed;
- The total number of trustees, including the chief executive officer, who are employees of the academy trust shall not exceed one third of the total number of trustees.

The Trustees who were in office at 31 August 2021 and served throughout the period, except where shown, are listed on page 1.

#### **Policies and procedures adopted for the induction and training of trustees**

The training and induction provided for new trustees depends on their previous experience; however, an existing trustee is routinely allocated as a mentor for all new trustees to support and inform them in their new role. All new trustees are usually given a tour of the school site and the chance to meet with staff and students, although that has not been possible for our new appointments during 2020 due to the need to safeguard against Covid infection. Safeguarding and suitability checks are undertaken as a priority for all new trustees. They are provided with a copy of the Governance and Academy Trust Handbooks and relevant school policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. New trustees are invited to attend an induction course in the first term of their appointment and have access to a full programme of courses which they will choose to attend, based on their role and experience.

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## Specialist Learning Trust

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### Trustees' report

#### For the year ended 31 August 2021

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All trustees are provided with gold subscription membership to the National Governors' Association and access to that provides an extensive range of resources to facilitate them in their role. Ongoing CPD and training for all trustees is routinely encouraged.

#### Organisational structure

The organisational structure within the academy consists of three levels: members, trustees and the senior leadership team, supported by a middle management team which includes heads of years and heads of departments. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

Members of the trust conduct an "eyes on, hands off" role. They attend the annual general meeting each year to appoint new members and trustees and to review the work of the academy trust.

Trustees are responsible for setting general policy, approving the annual school development plan and budget, monitoring the academy by the use of budgets and making major decisions about the direction of the trust, capital expenditure and senior staff appointments.

The headteacher of Glebe School undertakes the role accounting officer for the academy trust. The senior leadership team comprises the headteacher, two deputy headteachers, an assistant headteacher, the chief financial officer and school business manager. These managers control the academy at an executive level implementing the policies laid down by the board and reporting back to them. As a group the senior leadership team is responsible for the authorisation of spending up to a level delegated to them within agreed limits and for the appointment of staff. The appointment board for posts in the senior leadership team usually includes at least one trustee. The senior leadership team and the middle management team are responsible for the day to day operation of the academy, in particular organising the teaching and support staff, facilities and students.

#### Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on page 1. No trustees receive any form of remuneration for undertaking their role. The academy has no staff trustees.

The Pay Policy for the trust follows the terms of the School Teachers' Pay and Conditions Document (STPCD) for teaching staff and the National Joint Council for Local Government Services (NJC) for support staff. The policy is reviewed annually by the board. The day to day implementation of the Pay Policy is delegated to the headteacher and monitored by the Finance and Audit Committee.

Remuneration for the curriculum leaders is set within the leadership pay range for the school as calculated in accordance with the STPCD. The headteacher pay range for Glebe School is reviewed annually, particularly whilst the school is undergoing a period of expansion to ensure it remains relevant. Trustees appoint a Pay Committee to review the pay of the headteacher and invite an external professional advisor to assist them in the headteacher performance management process.

Remuneration for business members of the leadership team are set in accordance with the NJC terms and conditions of employment.

Pay levels for senior staff are set and checked by the use of benchmarking, market trends and advice on structuring of incentives to ensure staff remuneration is kept at an appropriate level. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board is always aware of the charitable status of the academy trust, recognising the commitments of the funding agreement with the Secretary of State for Education. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 12(d).

#### Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

#### Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

#### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	-
51%-99%	-
100%	-

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**Trustees' report**  
**For the year ended 31 August 2021**

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**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	-
Provide the total pay bill	£3,781,528
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	-

**Related Parties and other Connected Charities and Organisations**

Glebe School is currently the only school operating with the Trust. There are no related party transactions to report within the period. There are no connected PTA or separate voluntary funds.

**OBJECTIVES, STRATEGIES AND ACTIVITIES**

**Objects and Aims**

The Specialist Learning Trust currently supports one school, Glebe School, which is a secondary special school for students aged 11-19. Our students all have educational, health and care (EHC) plans with many diverse needs. The Trust's current objectives are to advance education for the public benefit, by establishing, maintaining and developing schools specially organised to make special educational provision for children and young people with special educational need.

**Objectives, Strategies and Activities**

Due to the impact of the Covid-19 pandemic and the time pupils had missed from school, the school priorities for 2020-21 were adapted to support the pupils in transitioning back into fulltime schooling and to provide a structured programme of initiatives to support the acquisition of knowledge and skills that the pupils would have learnt in the 2019-20 academic year. Specifically, we focused on:

- Updating the remote learning policy with the view to ensure that pupils can access a full curriculum in the event of further lockdowns.
- Small group and 1-2-1 interventions for pupils in literacy and maths with a specific focus on disadvantaged pupils that are struggling to re-engage with school.
- Restructuring the school's speech and language provision to provide more frequent and targeted support to a greater number of pupils.
- Employing an additional teacher to provide curriculum interventions.
- Expansion of the school pastoral team to better support increasing numbers of pupils with social, emotional and mental health needs.
- After school GCSE catch-up lessons for KS4 pupils.
- Close partnership working with harder to reach families and carers to ensure all pupils returned to school fulltime.
- Reviewing the curriculum, with the aim to improve our vocational offer due to a changing pupil profile and increased numbers of children with EHCPs in Bromley now being admitted to the school.
- An exciting summer school programme for Year 6 pupils transitioning to Glebe.
- Providing a virtual platform to communicate with parents in the event of further lockdowns.
- Capital works: improving the school security by way of new fencing and refurbishments of classrooms and the school library.
- Maintaining links with Outstanding schools through Challenge Partners and our Specialist Learning Partnership

**Public Benefit**

The Specialist Learning Trust is an academy converter catering for students with special education need aged 11 to 19. The Trust strives to promote and support the advancement of education for students within Bromley and across neighbouring boroughs.

Glebe School continues to support teaching and learning across a growing number of schools through a published programme of moderation, support and planning meetings through the Specialist Learning Partnership, a group of up to twenty schools working to innovate new approaches to support students with EHCP's across all the schools and to further develop school improvement strategies.

The Trust also reaches out to support other schools within the business function. The chief financial officer works with, and supports another local primary school with financial management and will be undertaking the role of CFO mentor for the Education and Skills Funding Agency in 2021-22.

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

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Trustees' report  
For the year ended 31 August 2021

**STRATEGIC REPORT**

**Achievement and Performance**

Pupils at Glebe School have outstanding outcomes when considered alongside their starting points. KS4 outcomes are exceptionally good and compare favourably with similar schools. All pupils are baselined for attainment on entering the school in Year 7 and their prior attainment is generally significantly below the threshold for low prior attainment. The trend over the last year has been for all examination courses to become markedly more challenging, particularly with respect to the introduction of courses that are assessed through terminal exam. Glebe has broadened the exam curriculum offer to ensure that all pupils are able to achieve qualifications dependent upon their ability.

Despite lockdown affecting our current leavers for the past two years, they have performed exceptionally well.

- There is very little difference between boys' and girls' outcomes. Girls left with 10.5 qualifications compared to boys' average of 10.6
- Overall, 72% of pupils improved their reading age.
- All LAC pupils making expected or better than expected progress
- Little difference between Pupil Premium and non-Pupil Premium pupils
- Pupils have made progress with their social, emotional, problem solving and independence skills compared to their starting points
- Destinations for pupils are tracked and monitored and currently 100% of leavers 2021 are in further education.

**Overall GCSE's Results**

Total Passes 9-1 (A-G)	2013	2014	2015	2016	2017	2018	2019	2020	2021
English	15	10	9	11	8	9	10	16	10
Maths	15	4	3	8	10	10	12	15	12
Science	17	18	14	23	19	17*	28*	*46	41*
<b>Total</b>	<b>47</b>	<b>32</b>	<b>26</b>	<b>42</b>	<b>37</b>	<b>36</b>	<b>61</b>	<b>77</b>	<b>68</b>

\* Double Science awards+Bio+Astro

Year 11	Number Candidates	Total passes A*-G (Eng+Maths+Sci)	Average per Candidate	Total passes A* - G (All GCSE+ Equiv)	Average per Candidate
2013	26	47	1.8	141	5.4
2014	23	32	1.4	101.5	4.4
2015	24	26	1.1	76	3.2
2016	26	42	1.6	141	5.4
2017	26	37	1.4	134	5.2
2018	25	36	1.4	117	4.7
2019	36	61	1.7	172	4.8
2020	38	77	2.2	221	5.8
2021	34	63	1.9	164	4.8

**Entry Level Certificate (ELC) Results**

Entry Level	2013	2014	2015	2016	2017	2018	2019	2020	2021
Level 1	17	13	26	30	35	18	22	16	24
Level 2	61	45	45	46	62	51	111	120	89
Level 3	113	108	87	73	45	45	62	48	69
Total	191	166	158	149	142	114	195	186	182
Number of Candidates	26	23	24	26	26	25	36	38	34
Average/Candidate	7.3	7.2	6.6	5.7	5.5	4.6	5.4	4.9	5.4

**Progress 8 Measure**

2016	-1.19
2017	-1.10
2018	-1.2
2019	-1.7
2020	PENDING
2021	PENDING

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**Exam Headlines**

Our Year 11 pupils have been affected by the Covid 19 pandemic over the past 2 years. Despite this our results are very good and we have hit the majority of our predicted targets set in Sept 2020.

GCSE	OTHER EQUIVALENT EXAMS	ENTRY LEVEL CERTIFICATE
<ul style="list-style-type: none"> <li>• 99 entries compared to 56 in 2020.</li> <li>• 94% pass rate which is higher than last year's 88%</li> <li>• 9% -2 pupils achieved 6 GCSE's compared to 1 in 2020</li> <li>• 25%- 6 pupil achieved 5 GCSE's compared to 3 in 2020</li> </ul>	<ul style="list-style-type: none"> <li>• 66 entries compared to 44 in 2020</li> <li>• 98% pass rate which is the same as 2020</li> <li>• 98% achieved a Pass compared to 64% in 2020</li> <li>• 19% achieved a Merit compared to 11% in 2020</li> <li>• 13% achieved a distinction compared to 9% in 2020.</li> </ul>	<ul style="list-style-type: none"> <li>• 187 entries compared to 85 in 2020</li> <li>• 97% achieved compared to 100% in 2020</li> <li>• 38% achieved Level 3 compared to 21 in 2020</li> <li>• 49% achieved Level 2 compared to 68% in 2020</li> <li>• 13% achieved Level 1 compared to 11% in 2020.</li> </ul>

**Success of predicted goals set in September 2020 for July 2021**

**GCSE's**

- Our average qualifications per student is 11.00 which is 0.33 higher than predicted.
- Significantly higher entries than last year.
- 6% higher pass rate.
- 79% of all pupils achieved at least 3 GCSE's or equivalent. This is 4% higher than our prediction.
- 56% of all pupils leave with at least 5 GCSEs or equivalent. This is 3% lower than predicted which was due to 2 pupils struggling to access the full curriculum after lockdown.
- 83% Girls achieved 3 GCSE's or equivalent. This is 8% higher than predicted.
- 75% Boys achieved 3 GCSE's or equivalent which is as predicted.

**Other Equivalent Exams**

- Significantly higher entries.
- Pass rate is the same as last year. However, an increase in the % rate achieved at Pass, Merit, Distinction.
- 100% of all pupils achieved at least 7 qualifications altogether which is as predicted.
- Average qualification per pupil is 10.84.

**Entry Level**

- Significant increase in entry level entries.
- Slightly lower pass rate than 2020
- Higher % achievement at Level 3 and Level 1.
- 100% of both boys and girls gained 5 or more Entry Levels.
- 83% of girls achieved 6 or more compared to 55% of boys.

**Core**

- 10 pupils achieved iGCSE English which is 2 pupils less than predicted.
- 12 pupils achieved GCSE Maths. This was 7 less than predicted in Sept. However once mocks were completed in January the new Head of Maths re-evaluated and a new target of 10 pupils was set.
- As predicted 13 pupils achieved 2 GCSE's each in Trilogy Science which is 26 overall.
- 9 pupils achieved GCSE Biology which was 2 less than initially predicted.

**Pupil premium (PP)**

- 100% of PP achieved at least 7 qualifications which is 3% higher than predicted.
- 100% of Non-PP achieved at least 7 qualifications as predicted.
- GCSE % of passes of boys were 3% higher than girls. There was a 9% difference last year.
- In other equivalent exams, % of boys passes were 3% higher than girls. Last year girls were 4% higher.
- Entry Level % of passes, boys were 2% higher than girls.

**Sixth Form**

- 100% achieved at least 2 qualifications compared to 2020 when only 18% of pupils achieved 1.
- Overall pass rate 75%
- Average 3.5 qualifications per student (everyone at least 2)
- Leavers left with average of 4.5 qualifications each 48 Level 1 passes.



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**For the year ended 31 August 2021**

**Results show that:**

**Departments**

- English are now offering IGCSE as well as GCSE.
- Maths are aspirational and are entering 20 students into GCSE so this is our biggest group yet. They are also broadening their courses by offering Functional Skills.
- Art are offering GCSE and BTEC's. They are looking to set up a textiles GCSE or equivalent too.
- Music is offering IGCSE for the first time.
- PE are going to be changing their course to possibly a BTEC to ensure more students successful.

**Gender**

- In Biology GCSE girls outperform boys by 12%
- In Geography, boys outperform girls by 40%
- In History, boys outperform girls by 67%.
- In i-Media Award girls outperform boys by 10%.
- In Maths (12%) and English (8%) Entry Level boys perform better than girls.

**Reading Progress from Sept 20 – June 21**

We are exceptionally pleased with the reading progress within the school. Despite lockdown reading progress has still been very good and is currently 72% overall. This is significant as we have had a huge focus on increasing reading in Tutor Time. Overall progress in 2019 was 94% before Covid 19. So we are pleased that despite the disruption of lockdown we are still able to achieve 72%.

YEAR GROUP	PROGRESS
Year 7	83%
Year 8	84%
Year 9	81%
Year10	57%
Year 11	56%
<b>Overall progress</b>	<b>72%</b>

Key Financial Performance Indicators	2017-18	2018-19	2019-20	2020-21
Student Numbers (Years 7-14) as at 31 <sup>st</sup> August	195	215	225	238
Total Staff Costs (prior to LGPS FRS 102 charges)	£2,829,007	£3,137,752	£3,416,809	£3,843,276
Total Staff Costs to ESFA/LA Revenue Income (%)	78%	80%	79.5%	81%
Total Staff Costs to Total Income (%)	73%	78%	78.8%	80%
Total Staff Costs as Proportion of Total Expense (%)	83%	83%	83%	83%
Average number of FTE Teaching Staff	28.27	29.87	32.43	36.07
Average number of FTE Support Staff	38.66	41.85	41.03	42.44
Total Full Time Equivalent staff	66.93	71.72	73.46	78.51
Average Teacher Cost (inc. employee on-costs)	£58,508	£60,306	£63,536	£65,114
Proportion of budget spent on the Leadership team (%)	7%	5%	8.7%	8.7%
Spend per student for non-pay expenditure lines	£3,059	£3,076	£3,092	£3,212
Student Teacher Ratio (Exc. Leadership Team)	7.7	7.9	7.7	7.4

**Going Concern**

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

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## Specialist Learning Trust

### (A company limited by guarantee)

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#### Trustees' report

#### For the year ended 31 August 2021

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#### Financial review

Most of the trust's recurrent income is received in the form of grants from the Education and Skills Funding Agency ("ESFA"), the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SOFA").

Total income for the year, as shown by the SoFA, amounted to £4.91m, an increase on the £4.36m in the prior year. The increase is mainly attributable to the following factors:

- A rise in core General Annual Grant (GAG) funding of £150,000 due to a rise in pupil numbers of 15;
- An increase in Local Authority grants of £195k;
- Covid specific funding of £104k (explained further in note 5); and
- A rise in capital grant funding (up £66k) compared to the prior year.

The SoFA shows total expenditure for the year of £4.97m, leaving net expenditure of £67k. The overall net movement in funds is a decrease of £323k, as a result of an actuarial loss of £256k relating to the Local Government Pension Scheme (LGPS). This actuarial loss forms part of the movement in the LGPS deficit carried on the trust's Balance Sheet. A further £278k of non-actuarial pension charges are included within expenditure (staff costs).

In addition to the pension scheme movements through the pension reserve, the overall movement in funds includes capital income and depreciation charges tracked in the restricted fixed asset fund. As a result the overall movement in funds is not indicative of the operational performance of the academy.

The table below reconciles from the overall movement in funds as shown on the SOFA to the movement in revenue income funds which relate to the day-to-day running of the academy, a surplus of £207k (2020: £223k).

	2021 (£000s)	2020 (£000s)
Overall net movement in funds for the year per SOFA	(323)	601
Decrease attributable to fixed asset fund	(4)	152
LGPS actuarial loss / (gain)	256	(751)
LGPS service and interest costs	278	221
<b>Movement on revenue income funds</b>	<b>207</b>	<b>223</b>
Add: Transfers from revenue to capital to fund fixed asset additions	136	49
<b>Operational surplus on revenue funds before transfers to capital</b>	<b>343</b>	<b>272</b>

A decision was taken to invest £136k of revenue funding on capital items, and this revenue to capital contribution is reflected as a transfer between funds on the SOFA. Since this transfer comes from historical reserves, as opposed to specifically from the in-year surplus for 2020/21, it is worth noting the operational result prior to this transfer was £343k (2020: £272k).

At 31 August 2021, the net book value of fixed assets was £16.2m and movements in tangible fixed assets are shown in note 15 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being letting of the premises to local community groups and other affiliated organisations.

#### Financial position

The academy trust held fund balances at 31 August 2021 of £15.2m (2020: £15.5m). These funds included restricted fixed asset funds of £16.2m (2020: £16.2m) and revenue reserves of £1.02m (2020: £813k) split across restricted and unrestricted funds as shown in note 18.

The only fund in deficit was the LGPS pension reserve of £2.09m (2020: £1.56m). The deficit is not a concern and does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the academy trust are fixed until 1 April 2023. Further details explaining the pension deficit and movement on this during the year are provided in note 26.

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**Trustees' report**  
**For the year ended 31 August 2021**

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**Reserves Policy**

The trustees review the reserve levels of the trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will usually only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The trustees have determined that the appropriate level of revenue reserves should be between 6-10 % of income (excluding bursary funds), amounting to approximately £482k. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with planned capital expenditure and unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred. The trust had sufficient reserves as at 31 August 2021 to meet this target. Most of the restricted funds relate to core General Annual Grant funding which will be used for the main educational operations.

The reserves being held are higher than planned for the year. This is due to a number of factors beyond the control of the Trust:

- The DfE delayed the announcement of the Condition Improvement Grant awards leaving insufficient time to obtain planning permission for our capital projects. As such the planned works should now occur in the summer of 2022, with allocated budgets retained until that time.
- Supply chain issues with the purchase of a new minibus has caused a delay in the delivery, now expected in spring 2022.
- During the spring lockdown, the DfE provided funded lunch vouchers for all pupils eligible for free school meals.
- The school buildings were closed to pupils and staff through the spring term due to Covid 19 lockdown restrictions. This resulted in savings in consumable items and general maintenance and wear and tear of school buildings.
- Recruitment of new staff was delayed from the spring term to the summer term due to school being closed, resulting in salary savings.

The trustees will continue to monitor the level of reserves and work towards ensuring that funds are utilised and maintained at a satisfactory level.

**Investment Policy**

The Specialist Learning Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good practice as and when circumstances allow. Good financial returns mean that more money can be spent on educating pupils. The main aims are:

- to ensure adequate cash balances are maintained in the school current accounts to cover day to day working requirements;
- to ensure there is no risk of loss in capital value of any cash funds invested; and
- to protect the capital value of any invested funds against inflation.

Currently the Trustees only give approval for the school to place surplus funds on 32-day deposit with its principal bankers.

**Principal Risks and Uncertainties**

The trust has in place a Risk Management Policy and a comprehensive risk register, which is reviewed termly by the Board. This ensures that trustees remain focused on principal risks and uncertainties that the Trust is exposed to, and that steps are taken to mitigate against those risks. This is done through the work of the Finance and Audit Committee that ensures there are robust systems in place, including operational procedures and internal financial controls to minimise risk. The committee has identified the key risks faced by the trust in the current period as:

- Ensuring our pupils reach their full potential and that their personal wellbeing is protected following the impact of lost learning due to the Covid 19 pandemic.
- The ongoing pressure of special needs school places in the Borough. The school roll at the start of the new academic year 2021 is expected to exceed its capacity thus creating further pressure on the limitations of the physical school space and the ability to accommodate the number of pupils being referred by local authorities.
- Cyber-crime and security of school data, undertaking a review of school systems following an increasing number of attacks against schools and other public bodies.
- Having due regard of the risks of peer on peer abuse as highlighted by Ofsted and ensuring the school has a Contextual Safeguarding Approach to protect our pupils.

The Board reviews the Trust's risk register on a termly basis, seeking ways to mitigate against these issues. Some significant risks such as public and employer liability are covered by the Trust's insurance policy.

**FUNDRAISING**

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by trustees.

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Trustees' report**  
**For the year ended 31 August 2021**

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**PLANS FOR FUTURE PERIODS**

The overriding school objective for the 2021-22 academic year is to embed a robust curriculum catch-up programme to ensure that pupils are not left disadvantaged due to time lost out of school from the Covid-19 pandemic. Specifically, the leadership team of Glebe School will ensure that:

- All pupils make at least good progress due to all teachers having an unrelenting focus on high expectations, providing a stimulating learning environment and planning lessons that are personalised to the ability and needs of each pupil.
- A dedicated school led tutor is appointed to deliver tuition packages to pupils in need of additional support
- The structure of tutor time is improved through a combination of Literacy, Numeracy, wellbeing and EHCP targets
- The curriculum is reviewed and refined with a focus on increased vocational units and employability skills
- Sharing strategies for speech and language provision that are embedded in planning and quality assured by the leadership team
- A school based counsellor is employed to support our most vulnerable learners and their families to support pupils to re-engage with school life and learning.
- All wider curriculum activities are reintroduced including Wood Lodge independent living skills residential stays, lunchtime clubs, wrap around care and an events programme of sports, arts and wider curriculum activities through the year.
- A summer school continues in the summer of 2022 to support the transition of pupils into Year 7 from our feeder primary schools.

In addition to this, the Trust is committed to maintaining and building on its outstanding status through:

- Continuing or work with a trio of outstanding schools through the challenge partner 'growing the top' programme
- A quality assurance review by challenge partners to ensure that the quality of education remains outstanding
- The headteacher developing his own practice becoming a facilitator for challenge partners
- The headteacher becoming a facilitator with Challenge Partners and serving on the Bromley SEND 0-25 governance board
- The CFO taking on the role of CFO mentor through the Education and Skills Funding Agency and the Institute of School Business Leadership to provide support to other academy trust chief financial offers.
- Restarting the Specialist Learning Partnership of over 30 schools and as the lead school, ensuring there is a training programme that supports classrooms teachers to senior leaders,
- Continue our links with the Thames South Teaching Hub and enrol teachers onto the new national professional qualifications
- Strong links with the Bromley Headteachers Secondary Association and Bromley's challenge partner hub schools.

The Trust is committed to ensuring that progress and achievement will continue to improve with predicted attainment scores for 2021-22 highlighted below.

**GCSE's-128 Entries compared to 99 in 2021**

- 84% of all pupils will achieve 1 GCSE or more
- 52% of all pupils will achieve 3 or more
- 22% will achieve 5 or more
- 33% girls will achieve 3 or more GCSE's compared to 59% of boys.
- 17% girls will achieve 5 GCSE's or more compared to 24% of boys.

**All qualifications-187 entries compared to 66 entries in 2021**

- 100% will achieve at least 5 or more.
- 96% will achieve 6 or more.
- 100% of girls & 97% of boys will achieve 5 or more.
- 100% of girls will achieve 6 or more compared to .91% of boys
- 92% of girls will achieve 9 or more compared to 79% of boys.

**Entry Level-173 Entries compared to 187 in 2021**

- 100% will achieve at least 2 or more.
- 89% will achieve 3 or more.
- 92% of girls & 88% of boys will achieve 3 or more.
- 92% of girls will achieve 4 or more compared to 64% of boys
- 50% of girls will achieve 5 or more compared to 9% of boys.

**Core**

- 12 pupils predicted to achieve iGCSE English.
- 10 pupils predicted to achieve GCSE English.
- 20 pupils predicted to achieve achieved GCSE Maths.
- 13 pupils predicted to achieve 2 GCSE's in Trilogy Science which is 26 overall.
- 18 pupils predicted to achieve GCSE Biology.

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Trustees' report**  
**For the year ended 31 August 2021**

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**Pupil Premium (PP)**

- Average of 2.33 GCSE's per PP female pupils compared to 2.79 of PP males.
- Average of 2. GCSE's per Non PP females compared to 3.50 of PP males.
- 100% of PP pupils will achieve at least 5 qualifications.
- 93% of PP pupils will achieve at least 7 qualifications.
- 100% of non PP pupils will achieve with at least 7 qualifications.
- 100% of non PP pupils will achieve with at least 8 qualifications.

**Sixth Form**

- Average qualifications per pupil should be 7
- 100% should gain at least 5.
- 96% should gain at least 6.

**Den**

- 1 student will gain at least 1 qualification

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The academy trust distributes 16-19 bursary funds to the students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note 30 to the financial statements.

**AUDITORS**

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, and signed on the board's behalf by:



**Mr G Parsons**  
Chair of Trustees



**Mr I Travis**  
Headteacher and Accounting Officer

Date: 7 December 2021

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## Specialist Learning Trust

(A company limited by guarantee)

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### Governance Statement For the Year Ended 31 August 2021

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#### Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the headteacher 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 Specialist Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met four times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Ms S Colquhoun (Chair)	4	4
Mrs T-J Brodie	4	4
Mrs M Farah	2	4
Mrs T Gillen (resigned 31 <sup>st</sup> December 2020)	2	2
Mrs S Martin	3	4
Mr G Parsons	4	4
Mr J Plummer	2	4
Mr C Hagreen (appointed 9 <sup>th</sup> February 2021)	1	2
Mrs I Vassallo (appointed 9 <sup>th</sup> February 2021)	2	2

The chair of the finance and audit committee, Barbara Hart, retired from her position on 31st August 2020 after many years of dedicated service; however, the trust was delighted that she was nominated and elected to become a trust member, ensuring the recommended complement of five members. Tara-Jane Brodie was elected to the vacant role of chair of the finance and audit committee.

Theresa Gillen indicated that she would be stepping down as safeguarding trustee at the end of December 2020, requiring further initiatives to be taken to recruit new trustees in order to ensure continuity. With this in mind Isobel Vassallo, current Headteacher of St Mary's Catholic Primary School in Beckenham, was approached and appointed to continue in the role as safeguarding lead trustee.

Val Hemmings retired as a co-opted member of the finance and audit committee in the summer of 2021. Colin Hagreen expressed an interest in becoming a trustee and, following an interview via remote technology undertaken by the chair and vice chair of the board, he was also able to be appointed by the members at the AGM in February 2021. Given his knowledge of finance in terms of SEND needs, he agreed to taking the vacant position within the finance and audit committee.

Due to Covid, our new trustees were unable to visit the school prior to their appointment but time was taken to provide them with background information of the school and its directions and we look forward to them being able to visit the school in the new school year. Further recruitment of Trustees is continuing, with particular emphasis on widening skills and diversity.

As we moved through the year awareness of the impact of Covid 19 was increasing, so that action was being taken to address requirements in responding to the demands of the pandemic, which involved more detailed planning, in terms of frequent changes to regulations, risk assessments and health and safety of both students and staff.

Throughout the year, all Board meetings have continued as usual albeit virtually via remote technology. The meetings have been very well managed and attended with opportunities for all Trustees to contribute and to raise questions about operational matters.

In December 2020, both the chair and vice chair attended the virtual Schools and Academies Conference. The main focus was on aspects of wellbeing for students and staff and various NGA webinars in terms of mitigating the effects of Covid, requirements for catch-up as well as recruiting new trustees. About this time there was a further Ofsted visit, although this was specifically focused on the way in which the school was managing and supporting the learning of students through the pandemic and its outcome was extremely positive and supportive of the work the school was doing.

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## Specialist Learning Trust

### (A company limited by guarantee)

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#### Governance Statement

##### For the Year Ended 31 August 2021

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The committees set up to monitor curriculum and safeguarding also continued to meet virtually and it was impressive to learn how much the staff were able to improvise and to adapt to the changing requirements, particularly in supporting the most vulnerable students and their families. Further developments were also taking place to ensure the establishment and operation of the premises and safety committee, with a date set for the first meeting set before the end of the summer term.

One main challenge addressed by the board and the school was the need for the Borough to find placements for a significant increase in students with EHCPs seeking school places, and the difficulties this presented for the school accommodating these increased numbers due to a lack of adequate teaching and communal space within the school buildings. The school rose to the challenge offering 54 places for the new intake in September 2021 by converting and splitting rooms to make additional classroom spaces. Trustees are aware that pressure on places will continue so ongoing dialogue with the local authority continues to address the issue of restricted space within the school buildings.

The headteacher's regular reports and the minutes of the committee meetings provide detailed information on the way in which the school is operating and these are circulated prior to every board meeting and invite many opportunities to raise questions about practice and these are also supplemented by the numerous training events and webinars, frequently attended by trustees.

Following on from this, the Board unanimously approved two areas of restructuring, recommended by the headteacher, namely, reshaping the Senior Leadership Team to provide a more distributive leadership format, by reducing the numbers on the SLT and opening more opportunities for teachers to pay leading roles in different areas of the school to enhance their role in teaching and secure their retention as well as the development of an extended department, combining IT and Business Studies to open up more vocational opportunities for students as they look towards leaving school and finding future employment.

#### Governance reviews

The board completed an update of its initial skills audit in the summer, which has provided helpful information to take forward in recruiting new trustees with the skills that will benefit the board. It is the intention of the board that skills are reviewed annually with a view to informing the board of key skills required in respect of future vacancies that may arise.

The skills audit in the summer of 2021 addressed the need for trustees with expertise in safeguarding and finance following the departure of former skilled trustees. In addition, the chair of the board was coming to the end of their term so a succession plan was put in place to prepare a suitably skilled replacement to be nominated at the first meeting of the new school year. This proved to be very successful with shadowing and training put in place to prepare for the change in leadership.

In response to the new ESFA Academy Trust Handbook, where it has been suggested that an objective self-assessment review might provide us with an opportunity to evaluate the way in which the Board operates and how we might focus on developing a strategy to respond to the devastating effects of the pandemic, the board is focusing on catch up and the wellbeing of students and staff.

As a small academy trust the full board routinely schedules four meetings with additional extraordinary meetings called when required to discuss urgent topics such as the risk assessment review for the actions required surrounding the Coronavirus outbreak. The full board is well represented and supported by the work of sub-committees to the full board including that of the finance and audit committee, which meets at least six times a year. The committee has delegated responsibility to ensure that there is tight scrutiny and oversight of the funds and grants awarded to the trust. The committee's function also includes the remit of the audit committee, whose actions are clearly reported within the agenda and minutes. The full remit of the committee can be seen within the terms of reference on the school website.

The CFO provides comprehensive narrative reports to support the financial statements presented to the finance and audit committee at each meeting, ensuring trustees are kept up to date with the financial standing of the trust. The CFO and business manager attend each meeting to provide the trustees with the opportunity for challenge and information. Attendance at meetings of the Finance and Audit Committee in the year was as follows:

Trustee	Meetings attended	Out of a possible
T-J Brodie (Chair)	4	6
G Parsons	6	6
V Hemmings (co-opted) (resigned 6 <sup>th</sup> May 2021)	4	4
C Hagreen (appointed 30 <sup>th</sup> March 2021)	2	2
I Travis (accounting officer and headteacher)	6	6

#### Review of value for money

As accounting officer, the headteacher 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.

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## Specialist Learning Trust

(A company limited by guarantee)

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### Governance Statement For the Year Ended 31 August 2021

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The accounting officer and the chief financial officer consider 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. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Continual review of resource needs across school to provide highly qualified staff focused on raising attainment and aspirations for all of our students.
- ongoing refurbishment and reconfiguration of school space to enable the trust to admit additional pupils with EHCP's seeking placements across the borough, enabling them to access the high quality of education offered by the school.
- applying for and winning a Condition Improvement Fund grant for the replacement and improvement of the perimeter fencing to provide a safe and secure environment for our students. Having entered into a tendering exercise the school has achieved best value for the works undertaken by a reputable contractor.
- re-tendering the catering contract to ensure students are provided with nutritious and healthy meals. New equipment has been purchased to support the launch of the new service, which is seeing an increase in the number of students benefitting from a hot meal each day.
- The use of frameworks to achieve best value for the purchase of IT equipment such as laptops, iPads, workstations etc. and to reduce the administration involved in the tendering process.

#### 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 Specialist Learning Trust for the year to 31 August 2021 and up to the date of approval of the annual report and financial statements.

#### Capacity to Handle Risk

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

#### The Risk and Control Framework

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

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

The board of trustees has decided to employ McCabe Ford Williams as internal auditor. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Recognition and use of public funds, including fund accounting
- Tendering and procurement
- Controls over bank and cash
- Debtor collection
- Transactions with related/connected parties
- Payroll
- VAT
- Electronic / online systems
- Security of assets
- Quality of management reporting
- Governance arrangements



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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Governance Statement**  
**For the Year Ended 31 August 2021**

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- Data protection (GDPR) compliance
- Budgetary control
- Compliance with the Academy Trust Handbook

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

The internal auditor has delivered their schedule of work as planned and it is pleasing to report that no material control issues have been identified arising as a result of their work.

**Review of Effectiveness**

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

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

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

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



**Mr G Parsons**  
Chair of Trustees



**Mr I Travis**  
Accounting Officer

Date: 7 December 2021

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Statement on Regularity, Propriety and Compliance**

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

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

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



**I. Travis**  
Accounting Officer

Date: 7 December 2021

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Statement of Trustees' responsibilities**  
**For the year ended 31 August 2021**

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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 charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



**G. Parsons**  
Chair of Trustees

Date: 7 December 2021

**Independent auditors' Report on the financial statements to the Members of Specialist Learning Trust**

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**Opinion**

We have audited the financial statements of Specialist Learning Trust (the 'academy trust') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Independent auditors' Report on the financial statements to the Members of Specialist Learning Trust (continued)**

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**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

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

***How the audit was considered capable of detecting irregularities including fraud***

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Academies Financial Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

**Independent auditors' Report on the financial statements to the Members of Specialist Learning Trust (continued)**

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To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Allan Hickie BSc FCA (Senior statutory auditor)**  
for and on behalf of  
**UHY Kent LLP**  
Chartered Accountants  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

Date: 13 December 2021

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Independent Reporting Accountant's Assurance Report on Regularity to Specialist Learning Trust and the Education and Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 26 September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Specialist Learning Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Specialist Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Specialist Learning 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 Specialist Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Specialist Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Specialist Learning Trust's funding agreement with the Secretary of State for Education dated 21 July 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Specialist Learning Trust for the year ended 31 August 2021 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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**Specialist Learning Trust**  
(A company limited by guarantee)

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**Independent Reporting Accountant's Assurance Report on Regularity to Specialist Learning Trust and the Education & Skills Funding Agency (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*UHY Kent LLP*

**UHY Kent LLP**  
Chartered Accountants  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

Date: *13 December 2021*



**Specialist Learning Trust**  
(A company limited by guarantee)

**Statement of financial activities (incorporating income and expenditure account)**  
**For the year ended 31 August 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	592	-	89,740	90,332	23,629
Funding for educational operations	5	16,008	4,771,169	-	4,787,177	4,324,367
Other trading activities	4	29,666	-	-	29,666	10,385
Investments	6	313	-	-	313	2,207
<b>Total income</b>		<b>46,579</b>	<b>4,771,169</b>	<b>89,740</b>	<b>4,907,488</b>	<b>4,360,588</b>
<b>Expenditure on:</b>						
Charitable activities	8	34,339	4,718,289	222,009	4,974,637	4,510,584
<b>Total expenditure</b>		<b>34,339</b>	<b>4,718,289</b>	<b>222,009</b>	<b>4,974,637</b>	<b>4,510,584</b>
<b>Net income/(expenditure)</b>		<b>12,240</b>	<b>52,880</b>	<b>(132,269)</b>	<b>(67,149)</b>	<b>(149,996)</b>
Transfers between funds	18	-	(136,079)	136,079	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>12,240</b>	<b>(83,199)</b>	<b>3,810</b>	<b>(67,149)</b>	<b>(149,996)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(256,000)	-	(256,000)	751,000
<b>Net movement in funds</b>		<b>12,240</b>	<b>(339,199)</b>	<b>3,810</b>	<b>(323,149)</b>	<b>601,004</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		160,242	(903,522)	16,222,724	15,479,444	14,878,440
Net movement in funds		12,240	(339,199)	3,810	(323,149)	601,004
<b>Total funds carried forward</b>	<b>18</b>	<b>172,482</b>	<b>(1,242,721)</b>	<b>16,226,534</b>	<b>15,156,295</b>	<b>15,479,444</b>

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

The notes on pages 26 to 47 form part of these financial statements.

**Specialist Learning Trust**  
**(A company limited by guarantee)**  
**Registered number: 10877352**

**Balance sheet**  
**As at 31 August 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	16,219,124	16,221,036
<b>Current assets</b>			
Debtors	16	118,199	92,830
Cash at bank and in hand		1,321,064	914,965
		<u>1,439,263</u>	<u>1,007,795</u>
Creditors: amounts falling due within one year	17	(411,092)	(192,387)
<b>Net current assets</b>		<u>1,028,171</u>	<u>815,408</u>
<b>Net assets excluding pension liability</b>		<u>17,247,295</u>	<u>17,036,444</u>
Defined benefit pension scheme liability	26	(2,091,000)	(1,557,000)
<b>Total net assets</b>		<u><u>15,156,295</u></u>	<u><u>15,479,444</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	16,226,534	16,222,724
Restricted income funds	18	848,279	653,478
		<u>17,074,813</u>	<u>16,876,202</u>
Restricted funds excluding pension liability	18	17,074,813	16,876,202
Pension reserve	18	(2,091,000)	(1,557,000)
<b>Total restricted funds</b>	18	<u>14,983,813</u>	<u>15,319,202</u>
<b>Unrestricted income funds</b>	18	<u>172,482</u>	<u>160,242</u>
<b>Total funds</b>		<u><u>15,156,295</u></u>	<u><u>15,479,444</u></u>

The financial statements on pages 23 to 47 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**G. Parsons**  
Chair of Trustees



**I. Travis**  
Accounting Officer

Date: 7 December 2021

The notes on pages 26 to 47 form part of these financial statements.

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**Specialist Learning Trust**  
**(A company limited by guarantee)**

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**Statement of cash flows**  
**For the year ended 31 August 2021**

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	<b>Note</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	549,543	156,283
<b>Cash flows from investing activities</b>	22	(143,444)	(51,650)
<b>Cash flows from financing activities</b>	21	-	(3,739)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		406,099	100,894
Cash and cash equivalents at the beginning of the year		914,965	814,071
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<hr/> <hr/> 1,321,064	<hr/> <hr/> 914,965

The notes on pages 26 to 47 form part of these financial statements

**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Specialist Learning Trust meets the definition of a public benefit entity under FRS 102.

**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.

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

Notes to the financial statements  
For the year ended 31 August 2021

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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.

• Charitable activities

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

Where relevant expenditure is shown inclusive of any irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.7 Tangible fixed assets

Assets costing £2,500 or more and any cumulative bulk purchases on one order exceeding £5,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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:

Freehold property	- 2% straight line
Furniture and equipment	- 10% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 12.5% straight line

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

**1. Accounting policies (continued)**

**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**

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

**1.11 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.12 Operating leases**

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

**1.13 Pensions**

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

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

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

**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**1. Accounting policies (continued)**

**1.13 Pensions (continued)**

activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.14 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use a percentage of the allocation towards its own administration costs, however chooses not to do so. The funds received and paid and any balances held are disclosed in note 29.

**1.15 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

The Academy 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

We consider that there has been one key area of judgement in respect of the actuarial assumptions made leading to the closing pension scheme liability:

The "**McCloud/Sargeant judgements**". These employment tribunal cases relate to all public sector pension schemes and not specifically to the academy trust. The cases relate to legal rulings regarding age discrimination arising from public sector pension scheme transitional arrangements. Actuarial evidence suggested that the impact of making an allowance for this judgement would be material and a past service cost adjustment was made, within staff costs, in the trusts 2018/19 financial statements.

**Specialist Learning Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2021**

**2. Critical accounting estimates and areas of judgment (continued)**

Since then a consultation has taken place. Then, on 13 May 2021, the Government issued a ministerial statement which confirms that changes will be made to the LGPS Regulations to compensate members directly affected by the change to career average benefits from 1 April 2014. The Government's intention is that revised regulations will come into force on 1 April 2023, and draft regulations are expected later in 2021.

In July 2021 the actuary has indicated that they do not believe there are any material differences between the approach underlying the estimated allowance and the proposed remedy, and therefore no further subsequent adjustment has been made.

**3. Income from donations and capital grants**

	Unrestricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donated fixed assets	-	13,400	13,400	-
Donations	592	-	592	1,755
Capital grants	-	76,340	76,340	21,874
	<u>592</u>	<u>89,740</u>	<u>90,332</u>	<u>23,629</u>
<i>Analysis of 2020 total by fund</i>	<u>1,755</u>	<u>21,874</u>	<u>23,629</u>	

**4. Income from other trading activities**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	3,531	3,531	5,073
Insurance claims	24,749	24,749	-
Other	1,386	1,386	5,312
	<u>29,666</u>	<u>29,666</u>	<u>10,385</u>
<i>Analysis of 2020 total by fund</i>	<u>10,385</u>	<u>10,385</u>	



**Specialist Learning Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2021**

**5. Funding for educational operations**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2020</i> <i>£</i>
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	2,300,000	2,300,000	2,150,000
Other DfE/ESFA grants				
Pupil Premium	-	110,617	110,617	100,280
Others	-	9,650	9,650	11,026
	-	2,420,267	2,420,267	2,261,306
<b>Other Government grants</b>				
Local authority - special educational projects	-	2,060,666	2,060,666	1,865,618
Other local authority grants	-	183,345	183,345	165,366
Other grants	-	-	-	6,000
	-	2,244,011	2,244,011	2,036,984
<b>Other income from educational operations</b>	16,008	2,609	18,617	26,077
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	57,120	57,120	-
Other DfE/ESFA COVID-19 funding	-	47,162	47,162	-
	-	104,282	104,282	-
	16,008	4,771,169	4,787,177	4,324,367
<i>Analysis of 2020 total by fund</i>	23,827	4,300,540	4,324,367	

Following the reclassification in the Academies Accounts Direction 2020 to 2021 of some grants received from the Department for Education and ESFA, the academy trust's funding for Pupil Premium is reported as a separate line under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy trust received £57,120 of funding for catch-up premium to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). Costs incurred in respect of this funding totalled £40,499, with the remaining £16,621 to be spent in 2021/22. The funding was spent on employing an additional teacher to deliver targeted intervention teaching.

The other Covid-19 funding received in 2020/21 relates to support provided to cover the costs associated with the coronavirus National Testing Programme.

**Specialist Learning Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2021**

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Bank interest	313	313	2,207
<i>Analysis of 2020 total by fund</i>	<i>2,207</i>	<i>2,207</i>	

**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>	<i>Total 2020 £</i>
Educational operations:					
Direct costs	3,504,174	161,746	306,928	3,972,848	3,603,691
Allocated support costs	616,580	264,911	120,298	1,001,789	906,893
	<u>4,120,754</u>	<u>426,657</u>	<u>427,226</u>	<u>4,974,637</u>	<u>4,510,584</u>
<i>Analysis of 2020 total</i>	<i>3,637,708</i>	<i>412,284</i>	<i>460,592</i>	<i>4,510,584</i>	

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Educational operations	34,339	4,940,298	4,974,637	4,510,584
<i>Analysis of 2020 total by fund</i>	<i>35,414</i>	<i>4,475,170</i>	<i>4,510,584</i>	

Specialist Learning Trust  
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Notes to the financial statements  
For the year ended 31 August 2021

9. Analysis of expenditure by activities

	Direct costs 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	3,972,848	1,001,789	4,974,637	4,510,584
<i>Analysis of 2020 total</i>	<i>3,603,691</i>	<i>906,893</i>	<i>4,510,584</i>	

Analysis of support costs

	Total funds 2021 £	Total funds 2020 £
Staff costs	616,580	497,064
Technology costs	19,797	17,792
Premises costs	264,911	251,073
Legal costs	9,888	6,750
Governance costs	11,084	10,470
Other support costs	79,529	123,744
	<u>1,001,789</u>	<u>906,893</u>

10. Analysis of specific expenses

Included within expenditure were gifts made by the trust totalling £745.

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	3,002	2,223
Depreciation of tangible fixed assets	222,009	223,469
Fees paid to auditors for:		
- audit	8,980	8,940
- other services	2,050	4,760
	<u>227,041</u>	<u>239,402</u>

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**Specialist Learning Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Wages and salaries	2,886,168	2,581,808
Social security costs	283,426	254,411
Pension costs	877,961	769,944
	<u>4,047,555</u>	<u>3,606,163</u>
Agency staff costs	61,749	31,545
Staff restructuring costs	11,450	-
	<u>4,120,754</u>	<u>3,637,708</u>

Staff restructuring costs comprise:

Redundancy payments	<u>11,450</u>	<u>-</u>
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**b. Staff numbers**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<b>No.</b>
Management	4	3
Teachers	32	30
Administration and support	54	52
	<u>90</u>	<u>85</u>

The average headcount expressed as full-time equivalents was:

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<b>No.</b>
Management	4	3
Teachers	32	29
Administration and support	42	41
	<u>78</u>	<u>73</u>

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**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**12. Staff (continued)**

**c. Higher paid staff**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	2	<i>1</i>
In the band £70,001 - £80,000	1	<i>1</i>
In the band £80,001 - £90,000	-	<i>1</i>
In the band £90,001 - £100,000	1	-

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £525,067 (2020 - £472,594).

**13. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, travel expenses totalling £54 were reimbursed or paid directly to 1 Trustee (2020 - £25 to 1 Trustee).

**14. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the insurance policy.

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**15. Tangible fixed assets**

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2020	16,519,947	83,682	206,053	39,958	16,849,640
Additions	125,270	28,424	66,403	-	220,097
At 31 August 2021	<u>16,645,217</u>	<u>112,106</u>	<u>272,456</u>	<u>39,958</u>	<u>17,069,737</u>
<b>Depreciation</b>					
At 1 September 2020	470,619	23,295	114,599	20,091	628,604
Charge for the year	161,746	8,147	45,419	6,697	222,009
At 31 August 2021	<u>632,365</u>	<u>31,442</u>	<u>160,018</u>	<u>26,788</u>	<u>850,613</u>
<b>Net book value</b>					
At 31 August 2021	<u>16,012,852</u>	<u>80,664</u>	<u>112,438</u>	<u>13,170</u>	<u>16,219,124</u>
At 31 August 2020	<u>16,049,328</u>	<u>60,387</u>	<u>91,454</u>	<u>19,867</u>	<u>16,221,036</u>

Freehold property includes land at valuation of £8,450,000 (2020 - £8,450,000) which is not depreciated.

**16. Debtors**

	2021 £	2020 £
Trade debtors	14,722	43,765
Recoverable VAT	12,817	2,805
Prepayments and accrued income	90,660	46,260
	<u>118,199</u>	<u>92,830</u>

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**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**17. Creditors: Amounts falling due within one year**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Other taxation and social security	78,968	61,567
Other creditors	22,878	2,852
Accruals and deferred income	309,246	127,968
	<u>411,092</u>	<u>192,387</u>

At the balance sheet date the Academy Trust was holding funds of £94,799 received in advance for Teachers' Pay and Pension grants for the autumn and spring terms 2021/22.

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**Notes to the financial statements**  
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**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General funds	160,242	46,579	(34,339)	-	-	172,482
<b>Restricted general funds</b>						
General Annual Grant (GAG)	651,978	2,300,000	(1,990,741)	(130,079)	-	831,158
Other DfE/ESFA grants	-	120,267	(120,267)	-	-	-
Other government grants	-	2,244,011	(2,238,011)	(6,000)	-	-
Other restricted	1,500	2,609	(3,609)	-	-	500
Catch-up premium	-	57,120	(40,499)	-	-	16,621
Other DfE/ESFA COVID-19 funding	-	47,162	(47,162)	-	-	-
Pension reserve	(1,557,000)	-	(278,000)	-	(256,000)	(2,091,000)
	(903,522)	4,771,169	(4,718,289)	(136,079)	(256,000)	(1,242,721)
<b>Restricted fixed asset funds</b>						
Restricted fixed assets	16,221,036	13,400	(222,009)	206,697	-	16,219,124
DfE/ESFA capital grants	1,688	71,340	-	(65,618)	-	7,410
Other capital funding	-	5,000	-	(5,000)	-	-
	16,222,724	89,740	(222,009)	136,079	-	16,226,534
<b>Total Restricted funds</b>	15,319,202	4,860,909	(4,940,298)	-	(256,000)	14,983,813
<b>Total funds</b>	15,479,444	4,907,488	(4,974,637)	-	(256,000)	15,156,295



**18. Statement of funds (continued)**

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

General Annual Grants ('GAG') must be used for the normal running costs of the academy trust.

The other DfE/ESFA grants fund is used to track grants provided by the DfE and related bodies, and includes Pupil Premium. The pupil grants have been used to enhance the learning of disadvantaged pupils by subsidising school trips, purchasing uniform and providing staffing for learning support.

The other government grants fund is used to track grants provided by government departments other than the DfE/ESFA and includes grants received from the London Borough of Bromley. The funding received includes the Teachers' Pay Grant and Teachers' Pension Grant.

The other restricted income fund has been used to track other streams of restricted income which cannot be included in the funds noted above.

Covid catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). This has been spent in a variety of ways, as outlined in note 5.

Other Covid funding relates to Covid mass testing grants, provided by the DfE to support schools with the costs associated with the coronavirus National Testing Programme.

The pension reserve relates to the Trust's share of the deficit of the Local Government Pension Scheme overseen by its Local Authority.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The net transfers into the restricted fixed asset fund relate to capital purchases made from revenue funds.

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

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**Notes to the financial statements**  
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**18. Statement of funds (continued)**

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General funds	157,482	38,174	(35,414)	-	-	160,242
<b>Restricted general funds</b>						
General Annual Grant (GAG)	430,887	2,150,000	(1,879,624)	(49,285)	-	651,978
Other DfE/ESFA grants	-	111,306	(111,306)	-	-	-
Other government grants	-	2,036,984	(2,036,984)	-	-	-
Other restricted	2,037	2,250	(2,787)	-	-	1,500
Pension reserve	(2,087,000)	-	(221,000)	-	751,000	(1,557,000)
	<u>(1,654,076)</u>	<u>4,300,540</u>	<u>(4,251,701)</u>	<u>(49,285)</u>	<u>751,000</u>	<u>(903,522)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed assets	16,368,774	-	(223,469)	75,731	-	16,221,036
DfE/ESFA capital grants	10,000	11,256	-	(19,568)	-	1,688
Finance lease liability	(3,740)	-	-	3,740	-	-
Other capital funding	-	10,618	-	(10,618)	-	-
	<u>16,375,034</u>	<u>21,874</u>	<u>(223,469)</u>	<u>49,285</u>	<u>-</u>	<u>16,222,724</u>
<b>Total Restricted funds</b>	<u>14,720,958</u>	<u>4,322,414</u>	<u>(4,475,170)</u>	<u>-</u>	<u>751,000</u>	<u>15,319,202</u>
<b>Total funds</b>	<u>14,878,440</u>	<u>4,360,588</u>	<u>(4,510,584)</u>	<u>-</u>	<u>751,000</u>	<u>15,479,444</u>

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**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	16,219,124	16,219,124
Current assets	173,639	1,258,214	7,410	1,439,263
Creditors due within one year	(1,157)	(409,935)	-	(411,092)
Provisions for liabilities and charges	-	(2,091,000)	-	(2,091,000)
<b>Total</b>	<b>172,482</b>	<b>(1,242,721)</b>	<b>16,226,534</b>	<b>15,156,295</b>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	16,221,036	16,221,036
Current assets	160,242	845,865	1,688	1,007,795
Creditors due within one year	-	(192,387)	-	(192,387)
Provisions for liabilities and charges	-	(1,557,000)	-	(1,557,000)
<b>Total</b>	<b>160,242</b>	<b>(903,522)</b>	<b>16,222,724</b>	<b>15,479,444</b>

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**Notes to the financial statements**  
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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net expenditure for the year (as per Statement of financial activities)	(67,149)	(149,996)
<b>Adjustments for:</b>		
Depreciation	222,009	223,469
Capital grants from DfE and other capital income	(76,340)	(21,874)
Interest receivable	(313)	(2,207)
Defined benefit pension scheme cost less contributions payable	252,000	185,000
Defined benefit pension scheme finance cost	26,000	36,000
(Increase)/decrease in debtors	(25,369)	15,166
Increase/(decrease) in creditors	218,705	(129,275)
<b>Net cash provided by operating activities</b>	<b>549,543</b>	<b>156,283</b>

**21. Cash flows from financing activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Repayments of borrowing	-	(3,739)

**22. Cash flows from investing activities**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	313	2,207
Purchase of tangible fixed assets	(220,097)	(75,731)
Capital grants from DfE Group	71,340	11,256
Capital funding received from sponsors and others	5,000	10,618
<b>Net cash used in investing activities</b>	<b>(143,444)</b>	<b>(51,650)</b>

**23. Analysis of cash and cash equivalents**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	1,321,064	914,965

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**Notes to the financial statements**  
**For the year ended 31 August 2021**

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**24. Analysis of changes in net debt**

	<b>At 1 September 2020 £</b>	<b>Cash flows £</b>	<b>At 31 August 2021 £</b>
Cash at bank and in hand	914,965	406,099	1,321,064

**25. Capital commitments**

	<b>2021 £</b>	<b>2020 £</b>
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	135,682	-

**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 London Borough of Bromley. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

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

**Teachers' Pension Scheme**

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

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

Notes to the financial statements  
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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 next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £400,000 (2020 - £343,000).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £268,000 (2020 - £266,000), of which employer's contributions totalled £200,000 (2020 - £206,000) and employees' contributions totalled £ 68,000 (2020 - £60,000). The agreed contribution rates for future years are 18.2 per cent for employers and 5.5 to 12.5 per cent for employees.

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

**Principal actuarial assumptions**

	2021	2020
	%	%
Rate of increase in salaries	4.30	3.80
Rate of increase for pensions in payment/inflation	2.90	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.80	2.30

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

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**26. Pension commitments (continued)**

	<b>2021</b>	<i>2020</i>
	<b>Years</b>	<i>Years</i>
<i>Retiring today</i>		
Males	22.9	22.8
Females	25.3	25.2
<i>Retiring in 20 years</i>		
Males	24.8	24.7
Females	27.3	27.2

**Sensitivity analysis**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	(176)	(131)
Discount rate -0.1%	181	134
Mortality assumption - 1 year increase	212	143
Mortality assumption - 1 year decrease	(206)	(139)
CPI rate +0.1%	180	134
CPI rate -0.1%	(175)	(131)

**Share of scheme assets**

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Equities	3,166,000	2,350,000
Gilts	139,000	247,000
Corporate bonds	380,000	226,000
Property	235,000	136,000
Cash and other liquid assets	43,000	29,000
Other	841,000	595,000
<b>Total market value of assets</b>	<b>4,804,000</b>	<i>3,583,000</i>

The actual return on scheme assets was £721,000 (2020 - £195,000).

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**26. Pension commitments (continued)**

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Current service cost	(444,000)	(384,000)
Interest income	69,000	39,000
Interest cost	(95,000)	(75,000)
Administrative expenses	(8,000)	(7,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(478,000)</b>	<b>(427,000)</b>

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>5,140,000</b>	<b>4,059,000</b>
Current service cost	444,000	384,000
Interest cost	95,000	75,000
Employee contributions	68,000	60,000
Actuarial losses	908,000	386,000
Benefits paid	240,000	176,000
<b>At 31 August</b>	<b>6,895,000</b>	<b>5,140,000</b>

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
<b>At 1 September</b>	<b>3,583,000</b>	<b>1,972,000</b>
Interest income	69,000	39,000
Actuarial gains	652,000	1,137,000
Employer contributions	200,000	206,000
Employee contributions	68,000	60,000
Benefits paid	240,000	176,000
Administration expenses	(8,000)	(7,000)
<b>At 31 August</b>	<b>4,804,000</b>	<b>3,583,000</b>



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**Notes to the financial statements**  
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**27. Operating lease commitments**

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Not later than 1 year	3,513	4,028
Later than 1 year and not later than 5 years	6,121	10,119
	<u>9,634</u>	<u>14,147</u>

**28. Members' liability**

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

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.

**30. Agency arrangements**

The academy trust administers the distribution of the discretionary support for learners, 16-19 bursary funds, on behalf of the ESFA. In the accounting period ending 31 August 2021 the academy trust received £2,816 (2020 - £3,755) and disbursed £2,452 (2020 - £4,792). No funds were retained to cover administration expenses. A balance of £3,082 (2020 - £2,718) is included in other creditors relating to undistributed funds.

**31. Controlling party**

The Academy Trust is run by the senior management team on a day to day basis. Strategic decisions are made by the Trustees. There is no ultimate controlling party.

