

SAPIENTIA EDUCATION TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 AUGUST 2024



Sapientia
EDUCATION TRUST

Company Registration Number:
07466353 (England and Wales)

SAPIENTIA EDUCATION TRUST

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 16
Governance Statement	17 -22
Statement on Regularity, Propriety and Compliance	23
Statement of Trustees' Responsibilities	24
Independent Auditor's Report on the Financial Statements	25 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities incorporating Income and Expenditure Account	30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 58

SAPIENTIA EDUCATION TRUST

Reference and Administrative Details

Members

Mr P Norton (Chair)
Mrs M Abel (resigned 2 July 2023)
Mr S Bartram (appointed 18 December 2023)
Mrs S Dinneen OBE
Mr P Rout
Mr S Wood (appointed 18 December 2023)

Directors (Trustees)

Mr P Rout (Chair)
Mr J Taylor (Chief Executive Officer and Accounting Officer)
Mr I Baker
Mrs L Cornell
Mr F Davey (resigned 8 December 2023)
Mrs J Dwyer
Mr R Hill
Mr R Margand (Vice-Chair)
Mr T North
Mrs C Saint (appointed 12 December 2023)
Mrs P Sheppard

Trust Executive Team

Mr J Taylor – Chief Executive Officer
Mrs E Davies – Deputy CEO
Mr S Dewing – Chief Financial Officer
Mrs Z Fisher – Deputy CEO/Wymondham College Principal
Mr M Harnan – Director of Operations and Contracts
Mr R Moorhouse MBE – Chief Operating Officer/Company Secretary
Mr A Robinson – Deputy CEO
Mrs T Smith – HR Director

SAPIENTIA EDUCATION TRUST

Reference and Administrative Details (continued)

Company Name	Sapientia Education Trust
Principal and Registered Office	Wymondham College Golf Links Road Wymondham Norfolk NR18 9SZ
Company Registration Number	07466353 (England and Wales)
Independent Auditor	Lovewell Blake LLP Chartered Accountants and Statutory Auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
Bankers	NatWest Bank plc 21 Gentleman's Walk Norwich NR2 1NA
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Trustees' Report

The Trustees present their annual report together with the consolidated financial statements and auditor's reports of the charitable company and group for the period 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates the following schools:

1. Wymondham College (became an Academy on 1 February 2011)
2. Old Buckenham Primary School (joined the Trust on 1 September 2016)
3. Seething and Mundham Primary School (joined the Trust on 1 April 2017)
4. Burston Primary School (joined the Trust on 1 June 2017)
5. Tivetshall Primary School (joined the Trust on 1 June 2017)
6. Rockland St Mary Primary School (joined the Trust on 1 September 2017)
7. Surlingham Primary School (joined the Trust on 1 September 2017)
8. Great Hockham Primary and Nursery School (joined the Trust on 1 November 2017)
9. Stradbroke High School (joined the Trust on 1 December 2017)
10. Ghost Hill Infant and Nursery School (joined the Trust on 1 April 2018)
11. Framingham Earl High School (joined the Trust on 1 May 2018)
12. Old Buckenham High School (joined the Trust on 1 September 2018)
13. White House Farm Primary School (joined the Trust on 1 September 2019)
14. Attleborough Academy (joined the Trust on 1 June 2020)
15. Fakenham Academy (joined the Trust on 1 June 2020)
16. Wymondham College Prep School (joined the Trust on 1 September 2020)
17. City Academy Norwich (joined the Trust on 1 September 2022)
18. Beccles High School (joined the Trust on 1 September 2024)
19. Felix Primary School (joined the Trust on 1 September 2024)
20. Ixworth High School (joined the Trust on 1 September 2024)

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association dated 1 February 2011 are the primary governing documents of the Trust. A deed of variation of the funding agreement was issued on 1 March 2016. The Trustees of Sapienia Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Sapienia Education Trust.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on 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.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Structure, Governance and Management (continued)

Trustees' Indemnities

Subject to the provisions of the Companies Act, every Trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default breach of duty or breach of trust in relation to affairs of the Trust.

Method of Recruitment and Appointment or Election of Trustees

The number of Trustees shall be not less than three but shall not be subject to any maximum. The term of office for any Trustee shall be four years; this time limit shall not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected.

The members shall appoint Trustees save that no more than one individual appointed as a Trustee shall be an employee of the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees, on appointment, receive a briefing from the Governance Professional (formerly Clerk to the Trustees) and a set list of supporting documentation. The Trust arranges its own Trustee training.

Organisational Structure

During 2023/24 the Trust's organisational structure consisted of four levels: the Members, Board of Trustees, the Trust Central Leadership Team and the Executive at each school. The Executive are the Principal/Headteacher and Senior Leadership Team. Below the Senior Leadership Team there may be other groups according to the requirements of each individual school e.g., at Wyndham College there are Heads of House and Heads of Department meetings.

The Board of Trustees undertook a review of governance arrangements during 2022 in light of the growth of the Trust and to ensure that structures continue to meet the needs of the Trust's schools. On 1 September 2022 the Trust's existing Local Governing Bodies were disbanded and two new sub-committees were created. In addition, Parent Panels were created at each school to enhance parental voice within the Trust.

The Board of Trustees has the following sub - committees:

- **Finance Committee** which oversees all financial issues for the Trust and reports to the Board of Trustees.
- **Infrastructure Committee** which oversees all infrastructure issues for the Trust including Health & Safety matters, the Committee reports to the Board of Trustees.
- **Audit and Risk Committee** which oversees audit and risk matters for the Trust and reports to the Board of Trustees.
- **Human Resources and Remuneration Committee** which oversees human resources and remuneration matters for the Trust and reports to the Board of Trustees.
- **Education Committee** oversees education matters for the Trust and reports to the Board of Trustees.
- **Boarding Committee** oversees boarding standards for the Trust and reports to the Board of Trustees.
- **Local Compliance Committee** oversees school level policies for the Trust and reports to the Board of Trustees.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Structure, Governance and Management (continued)

Organisational Structure (continued)

The sub-committees receive consolidated reports capturing the relevant information from each school in a common format to allow the sub-committee members to assess performance data across all schools. The sub-committees then report to the Board of Trustees.

The Trustees have approved a scheme of financial delegation that allows budgetary responsibility to be delegated, through the CEO, to the lowest effective level. Board sub-committees are responsible for setting Trust policies, maintenance of standards and approving and monitoring performance and delivery against the strategic plan. The Headteacher at each school is responsible, along with their Senior Leadership team, for implementing the policies approved by the Board of Trustees.

Arrangements for setting pay and remuneration of key management personnel

The pay levels of senior staff at all Trust schools are reviewed annually, reported to and approved by the Board of Trustees. Any decisions about pay rises are based on a combination of national pay agreements, performance, and inflation.

Related Parties and other Connected Charities and Organisations

Sapientia Lettings Limited is a fully owned subsidiary company of Sapientia Education Trust that lets the Trust's properties to external parties. The subsidiary company is consolidated within these accounts.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Structure, Governance and Management (continued)

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require relevant public sector employers to publish specified information related to facility time taken by trade union officials. The relevant information related to Sapienia Education Trust between 1 September 2023 and 31 August 2024 is published below:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
13	973

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	13
1-50%	0
51-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	£43,681k
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time	0%
---	----

Engagement with employees (including disabled persons)

The Trust engages with employees in the following ways:

- Termly meetings of the Joint Consultative Committee (Trade Union Regional Representatives and Trust senior staff);
- Information and Consultation with Employees Committee at school level where appropriate;
- Regular staff newsletter to all employees from the CEO and senior Trust staff;
- Trust performance management system;
- Trust wide inset day at the start of each academic year;
- Staff through Trust wide staff survey, with results and action plan presented the Board of Trustees and to staff at the September inset day;
- Feedback via leavers exit interviews; and
- The Trust welcomes employment applications from all members of the community and will make appropriate adjustments for staff with disabilities as well as making adjustments for staff who develop disabilities during their employment.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Structure, Governance and Management (continued)

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

The Trust engages with stakeholders in the following ways:

- Schools have their own regular newsletters issued to their own stakeholders as well as engaging in various social media platforms;
- The Trust participates in the Norfolk Learning Board and has representation on both Norfolk and Suffolk Schools Forums to ensure close working with both Local Authorities;
- Parent voice is captured through regular surveys and each school has a Parent Focus Group. In addition, there are parent Trustees on the Board;
- Pupil voice captured at each Trust schools and each school has its own 'school council' structure to hear pupil voice; and
- The Trust has a series of regular meetings with contracted suppliers throughout the course of the academic year to review progress and delivery against contract.

Objectives and Activities

Objects and Aims

The principal object and activity of the Trust is to advance for public benefit the provision of education in the United Kingdom. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education. It ensures that all Trust schools provide a balanced and broad curriculum, and it approves each individual school's Admissions Policy to ensure it meets the requirements of the Schools Admissions Code.

Objectives, Strategies and Activities

The Board's Trust Vision is:

"To provide a world class education locally, enabling every pupil to flourish"

Strategic intent:

- To deliver an education that is holistic and broad ranging, of high quality in and beyond the classroom.
- To ensure opportunities to achieve are available for all.
- To harness and develop the talents that exist in the Trust.
- To meet the professional needs of staff, sharing best practice, with a strong commitment to personal development.

In meeting this intent, the Trust will be:

- Responsive to schools as they join the Trust, valuing the unique qualities/individualism of each Trust school, whilst recognising the need for all schools to deliver the strategic intents of the Trust.
- Run on sound and ethical business principles, offering a structure whereby resources and expertise can be focused across all the schools, keeping down back-office costs and driving up standards.

The Trust Strategic Plan is reviewed and evaluated annually by Trustees. The Strategic Plan for the next three-year period will be reviewed during 2024/25. A summary of the achievements during the course of the year up until 31 August 2024 is outlined in achievements and performance below.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Objectives and Activities (continued)

The main objectives of the Trust for the year ended 31 August 2024 are summarised as follows:

- Continue to improve outcomes for all learners:
 - Primary: focusing on GLD (Good Level of Development), MTC, phonics, and KS2 reading, writing, and mathematics.
 - Secondary: Strong focus on attainment 8 and 5+EM at GCSE and on higher grades at 'A' level.
- To improve attendance of all groups of pupils including disadvantaged and SEND pupils. To have a consistent approach to behaviour underpinned by the STEPS approach.
- All schools to have coherently planned, well sequenced personal development programme that is ambitious for all. This will include: SMSC, British values, protected characteristics, talents and interests, leadership, character, trips, visits, clubs, PSHE, RSE.
- There will be sustainable school leadership across the trust, supported by the launch of into Headship and Middle Leadership courses as part of the Sapienia Academy of Learning.
- Staff are provided with opportunities for professional development, networking and sharing best practice, including through the Sapienia Gateway.
- Financial resources are used to improve and maintain high standards.
- Accommodation and premises are 'fit for purpose'.

Public Benefit

The key public benefit delivered by the Trust is the maintenance and delivery of high-quality day and boarding education to the children of Norfolk and Suffolk. In addition, the Trust has provided support to schools outside of the Trust through the National Leaders in Education programme and an intensive support programme that ESFA facilitated.

The Trustees confirm that they have had due regard to the Charity Commission's guidance on public benefit.

Achievements and Performance

In the year leading up to 31 August 2024 the following was achieved:

- The Trust's partnership agreement with Saxmundham Education Ltd (formerly Seckford Education Trust) continued to provide governance, finance, HR, payroll, IT, estates, and leadership services. As part of this agreement Mr J Taylor (CEO) and Mr S Dewing (CFO) took on these respective roles for Saxmundham Education Ltd, no remuneration is received by them personally for these roles.
- The Trust continued to invest in estate infrastructure. In the past year, numerous estate projects have been delivered including new Sixth Form facilities at Attleborough Academy, new outdoor basketball courts at City Academy Norwich, food technology classroom refurbishment at Old Buckenham High School, new reception at Fakenham Academy, further improvements to the car parking layout at Framingham Earl High School, electrical improvement, astro-turf pitch replacement and replacement sports hall flooring at Wymondham College.
- Ghost Hill was judged as 'outstanding' by Ofsted during the year. Wymondham College was judged as 'outstanding' by Ofsted for both educational and boarding during the year. Stradbroke High School, Old Buckenham Primary School, Seething and Mundham Primary School, and White House Farm were all rated 'good' by Ofsted during the year. Stradbroke's inspection was ungraded so there could be no change in the grade, but the report highlighted that if a graded inspection were undertaken the school would be judged as 'outstanding'.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Achievements and Performance (continued)

- Seething and Mundham Primary School was rated as 'good' by Ofsted, an improvement from the previous 'requires improvement'. The school was rated 'outstanding' in behaviour and attitudes, personal development, leadership and management, and early years provision, which reflects the significant improvements made at the school.
- White House Farm was rated as 'good' by Ofsted in its first inspection. Early years provision was rated as 'outstanding'.
- City Academy Norwich was rated as 'requires improvement' by Ofsted, having previously been rated as 'inadequate' when inspected on joining the Trust. Leadership and management was rated as 'good' at the school, which reflects the continued investment in the school's improvement journey.
- Pupil numbers were maintained or grew across the Trust. Boarding numbers were maintained despite the national trend of decline, and Wymondham College remains the largest state boarding school nationally.
- The Sapientia Academy of Learning ran a programme of training activities focussed on leadership throughout the year, including further development of our subject networks.
- Key Stage 2 SATs outcomes improved with a 2-point increase in the overall combined score, with greater depth improving too. There was a significant increase in writing outcomes 70 (2023: 57) as a result of focus on this area and the Trust's investment in 'Write stuff'. This maintains a three-year, year on year improvement.
- Phonics screening results in year 1 rose again, with a number of schools above national levels.
- GCSE outcomes were positive across the majority of Trust secondary schools. Wymondham College increased the number of pupils achieving 5+EM to 67%. Stradbroke High School and Framingham Earl results remained amongst the highest performing schools in the region. Progress 8 measures were positive at Attleborough Academy, Framingham Earl High School, Old Buckenham High School, Stradbroke High School, and Wymondham College.
- Fakenham Academy saw a significant increase in the key 5+EM measure, rising by 10 percentage points. Progress 8 improved to broadly in line with national average.
- City Academy Norwich was less successful in terms of outcomes, though improved from previous measures.
- A-Level outcomes remained strong at Wymondham College (average grade: B- and progress of +0.22 above average) and Attleborough (C+ and +0.39 above average), with improvements at Fakenham Academy (C and +0.28 above average).
- Overall attendance levels were above national across the Trust, although City Academy Norwich was below national levels and a significant focus. The Trust led the attendance strand of the DfE's Norwich Priority Board.
- The Trust's CEO engaged in NLE work with two schools outside of the Trust and continued to be a member of the Norfolk Learning board.
- The Trust met its aims and objectives from the income received for the period. The effective management of cashflow and scheduling of capital expenditure meant that the Trust's cash balances were never exceeded by commitments. The majority of schools in the Trust met their planned carry-forward targets at the end of the year. The underlying causes of these issues are being addressed.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Achievements and Performance (continued)

Key Performance Indicators

A summary of the high level KPIs for the Trust are set out below:

	2024	2023
Pupil numbers	6,830	6,567
Staff costs as a % of income (exc. donated assets & school transfers)	72.6%	72.9%
In year surplus/(deficit) on revenue funds	£511k	£449k
Revenue reserves	£3,336k	£2,822k
Revenue reserves as a % of income (exc. donated assets & school transfers)	5.7%	5.0%

A summary of the KPIs for the Trust secondary schools are set out below:

School	Ofsted rating (year inspected)	Progress 8 (banding)
Wymondham College	Outstanding (2023)	0.36 (above average)
Stradbroke High School	Good (2018)	0.37 (above average)
Framingham Earl High School	Good (2022)	0.28 (above average)
Old Buckenham High School	Good (2023)	0.01 (average)
Attleborough Academy	Good (2021)	0.28 (above average)
Fakenham Academy	Good (2019)	-0.11 (average)
City Academy Norwich	Requires improvement (2024)	-0.75 (well below average)

A summary of the KPIs for the Trust primary schools are set out below:

School	Ofsted rating (year inspected)
Old Buckenham Primary School	Good (2024)
Seething and Mundham Primary School	Good (2024)
Burston Community Primary School	Good (2021)
Tivetshall Community Primary School	Good (2021)
Rockland St Mary Primary School	Good (2022)
Surlingham Primary School	Good (2022)
Great Hockham Primary School and Nursery	Good (2021)
Ghost Hill Infant and Nursery School	Outstanding (2023)
White House Farm	Good (2024)
Wymondham College Prep School	Outstanding (2023)

Going concern

After making appropriate enquiries, the Sapientia Education Trust Trustees have a reasonable expectation that the 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.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Achievements and Performance (continued)

Promoting the success of the company

The Trustees of Sapiencia Education Trust consider, both individually and collectively, that they have acted in way they would consider, in good faith, would be most likely to promote the success of the Trust for the benefit of the staff, students and stakeholders at all of our Schools while meeting the terms of the funding agreement the Trust has with the Secretary of State. The future plans for the Trust are laid out in the SET Strategic Plan which is reviewed by the Board of Trustees on an annual basis.

- Values and Culture. The plan underpins the Trust Mission statement as shown elsewhere in this report. It aims to ensure that all children at all Trust schools receive the best possible education while they are with us and that we promote and deliver continual professional development to all our staff.
- Employees. Our staff are fundamental to the success of the Trust, and we aim to be a responsible employer in the pay and benefits staff receive. Additionally, our programme of Health and Safety management and inspection supports our commitment to the well-being of staff and the safety of their working environment
- Stakeholders. We engage at all levels of our operation to understand the views and concerns of our staff, students and parents as well as the wider local community our schools serve. Schools will undertake local surveys to better understand how they might serve their local community, and this will be reported through to the Trust Committee structure (as outlined elsewhere in this report) and to the Board. Board of Trustees representation includes parental representation as well as other stakeholders who bring a unique set of skills to support the schools. Regular contact with stakeholders through newsletters and engagement with social media is an important part of our wider engagement with our school communities.
- Management of Risk. The management of risk is an integral part of all Trust work. Risk is managed through daily operational activities, supported by the work of the Trust's Health and Safety inspection programme. At the strategic level, each Trust Committee (as detailed elsewhere in this report) consider risks relevant to their area of responsibility on a termly basis with the Board receiving a Trust risk report each term. The full Risk Register is reviewed annually, and the Trust Internal Auditors reviewed risk analysis at Board level in the Spring Term 2021. Assessment of risk at all levels is part of our arching aim to deliver the highest standards of business conduct and operation.
- Impact on the local community and environment. The Trustees are cognisant of the impact of our schools in their local community. At local level, schools engage with local stakeholders about how they can minimise their environmental impact. We strive to use education to drive positive environmental change amongst our students and staff and in the wider community.

The Board of Trustees act in a responsible manner and ensure that Trust management operate in a responsible manner in accordance with best practice and good governance as well as those behaviours that would be expected in a multi academy trust responsible for the delivery of high-quality education to children. We also seek to act in best interests of our beneficiaries having due regard to both Department of Education and Charity Commission guidance. We aim to cement our reputation for quality, fairness and responsible behaviour through our actions.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Financial Review

Most of the Trust's income is obtained either from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes, or fee income for the provision of boarding. The grants received from ESFA during the year ended 31 August 2024 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2024, the Trust (and its subsidiary) received income of £44,585k (2023: £41,250k) in respect of General Annual Grant and other ESFA funding, £8,509k (2023: £8,060k) boarding fees and associated income, £Nil (2023: £19,123k) from existing academies joining the Trust, £2,102k (2023: £2,597k) in the form of capital grants and donations, and £6,008k (2023: £4,288k) other income, giving total income of £61,204k (2023: £75,318k) for the period. Expenditure for the period amounted to £66,353k (2023: £59,975k).

Excluding pension and fixed asset reserves the Trust generated a surplus of £514k (2023: £449k).

The 2023/24 in-year surplus (changes in balance of restricted general funds, excluding pension reserves, plus unrestricted reserves) amounted to £514k (2023: £284k).

At 31 August 2024 the net book value of fixed assets was £101,940k (2023: £105,710k) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Reserves Policy

The Trustees have reviewed reserve levels and believe that they should provide sufficient working capital to cover delays between spending and receipt of grants to allow for unexpected situations such as urgent maintenance work. The Trust excludes deposits received and funding held on behalf of third parties (e.g. bursary funding) in assessing its reserves position. The Trust holds cash reserves of £1,426k (2023: £1,219k) in relation to boarding deposits for the 2024/25 year which are included in creditors as at 31 August 2024.

The Trust held fund balances at 31 August 2024 of £106,041k (2023: £111,189k) comprising £104,643k (2023: £110,297k) of restricted funds and £1,398k (2023: £802k) of unrestricted income funds. The restricted funds balance comprises of fixed asset funds of £102,705k (2023: £108,368k), and restricted income fund surplus of £1,938k (2023: £1,929k).

As at 31 August 2024 the Trust's actual position of reserves (restricted general funds, excluding pension reserves, plus unrestricted funds) stood at a balance of £3,336k (2023: £2,822k). The Trustees monitor reserves as a percentage of Trust income (excluding academy transfers and asset donations) and the position as at 31 August 2024 represents 5.5% (2023: 5.0%) of income (excluding asset donations) and is in line with Trustee target of between 5% and 8%.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Financial Review (continued)

Investment Policy

The Trust invests cash surplus to operational requirements funds in accordance with the Trust's Articles of Association and Academy Trust Handbook, in furtherance of the Trust's charitable aims and to ensure that investment risk is properly and prudently managed. The Trust can invest in the following types of assets: cash management accounts, term deposit, instant access deposit accounts, treasury deposit accounts, and money market funds.

Investments will be assessed according to their financial return and the environmental, social and governance behaviour of companies/funds. This is to ensure that any investments align with the Trust's vision and values. All investments should follow the United Nations' Principles for Responsible Investment, which take account of Environmental, Social and Governance issues including topics such as climate change, resource depletion, human rights, modern slavery, child labour, board diversity and structure.

Principal Risks and Uncertainties

The Trustees have identified and reviewed the major risks to which the Trust is exposed and have established systems and procedures to manage these risks.

The Audit and Risk Committee have identified the top five risks faced by Sapienia Education Trust as:

- Uncertainty about central government funding to schools that is under increasing pressure, including the impact of Norfolk County Council's reduction in SEND funding per pupil.
- Ensuring high quality SEND provision across all Trust schools.
- The financial impact of low or reduced pupil numbers (including boarding) at Trust schools, in light of demographic changes.
- The continued impact of cost-of-living pressures on schools, parents/carers and students.
- Recruitment and retention of high-quality staff in key areas.

Financial and Risk Management Objectives and Policies

The Trustees have responsibility to assess the strategic risks to which the Trust is exposed and have completed a risk management register to ensure that steps are taken to mitigate risks. Trustees have adopted the risk-assessment methodology contained in the Charities Commission risk management leaflet CC26.

Each Board Committee is responsible for managing their area of the risk register, this includes educational risks. Each Board Committee reviews their area of the risk register at each meeting and it is amended/updated as appropriate. Where a significant risk is identified, this is reported to the Board at each Board meeting. Overall monitoring of the risk register is overseen by the Audit & Risk Committee, with the full risk register reviewed at least annually. In this way steps are taken to mitigate risk. Some significant risks such as public and employee liability are covered by the Trust's insurance policy.

The Trust Estate Management Plan (EMP) outlines the Trustees' approach to all aspects of school estate management to ensure that the Trust's estate is safe, well maintained and complies with statutory obligations. The EMP is built around the 'Good Estate Management for Schools (GEMS)' DfE guidance and is overseen by the Trustees Infrastructure Committee.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Financial Review (continued)

Financial and Risk Management Objectives and Policies (continued)

The Trust employs a very experienced team of estate management practitioners that have experience across a range of estate management disciplines, and which is complimented by a specialist in-house Health & Safety team. Estate work is prioritised to address compliance issues that are identified from several sources: statutory servicing, condition inspections by either the DfE (CDC programme) or the Local Authority and the Trust's own programme of termly Health & Safety inspections. The annual works programme includes all statutory maintenance inspections and a programme of capital works to meet compliance and condition need and, where appropriate, energy improvement measures. In the Autumn Term 2022, the Trust received an inspection from the HSE as part of their programme of school inspections assessing the management of asbestos. The Trust procedures and processes were judged to be fully compliant with the Trust's obligations under the Control of Asbestos Regulations 2012.

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken was monitored by the Trustees.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period:	1 September 2023 to 31 August 2024	1 September 2022 to 31 August 2023
Energy consumption used to calculate emissions (kWh)	13,169,065	13,116,113
Energy consumption breakdown (kWh) (optional) <ul style="list-style-type: none">GasElectricityTransport fuel		
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	1,311.37	1,657.83
Owned transport – mini-buses	<u>112.44</u>	<u>102.85</u>
<u>Total scope 1</u>	1,423.81	1,760.68
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Purchased electricity	772.73	817.59
<u>Scope 3 emissions in metric tonnes CO₂e</u>		
Business travel in employee-owned vehicles	60.70	29.56
Total gross emissions in metric tonnes CO ₂ e	2,257.24	2,607.83
<u>Intensity ratio</u>		
<u>Tonnes CO₂e per pupil</u>	0.33	0.40

The Trust's operations have an intensity metric of 0.33 tCO₂e per pupil (2023: 0.40), a reduction in the operational carbon intensity of 16.26% from last year.

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Streamlined Energy and Carbon Reporting (continued)

Measures taken to improve energy efficiency

We are committed to year-on-year improvements in our operational energy efficiency. As such, a register of energy efficiency measures available to us has been compiled, with a view to implementing these measures in the next five years. Measures taken in 2023/24 include:

- Installation of double-glazed windows and doors at Burston Primary School, Framingham Earl High School, Ghost Hill Infant & Nursery School, and Wymondham College in the year.
- Installation of LED lighting units at Burston Primary School, City Academy Norwich, Framingham Earl High School and Wymondham College.
- Replacing the high voltage ring main at Wymondham College.
- Replaced inefficient and outdated computer hardware and servers with more energy-efficient units.

Plans for Future Periods

For the coming financial year, the Trust plans to implement the following key objectives:

- Further develop capacity within the Trust Central Team commensurate with the growth of the Trust.
- Incorporate Beccles High School, Felix Primary, and Ixworth High School into the Trust's processes and school improvement journey.
- To continue discussions, and public consultation, with Attleborough Primary School and Rosecroft Primary School about potentially joining the Trust in 2025.
- Enhance the quality of teaching to maximise learning outcomes across all subjects for all learners. There will be a trust wide teaching and learning framework that underpins school's pedagogical choices.
- Continuously improve outcomes for all learners:
 - Primary: focusing on GLD (Good Level of Development), MTC, phonics, and KS2 reading, writing, and mathematics.
 - Secondary: Strong focus on attainment 8 and 5+EM at GCSE (no progress measures this summer) and on higher grades at 'A' level.
- Further close the achievement gap between disadvantaged and non-disadvantaged pupils.
- Improve student attendance (including reducing persistent absentees).
- Develop marketing approaches to aid pupil recruitment with demographic changes, including boarding.
- Continue to consider workload and wellbeing issues.
- Further enhance the continuing professional offer so that we are building capacity.
- Support the national programme on attendance levels and lead Norwich Improvement Board project on behalf of all city schools.
- Continue to work closely with Norfolk County Council on the delivery of their Local First Inclusion programme, including the revision to SEND funding.
- Deploy the Trust's new outsourced catering contract with Aspens to Trust schools (except Wymondham College and Wymondham College Prep School).

SAPIENTIA EDUCATION TRUST

TRUSTEES' REPORT (including Strategic Report) for the year ended 31 August 2024

Plans for Future Periods (continued)

School specific plans for future periods include:

- At Wymondham College maintain the boarding numbers and review marketing approaches, particularly in light of VAT on independent school fees. This includes continuing to develop the boarding offer through enhanced extra-curricular offer and use of rate of return funds on facilities.
- At Wymondham College remove the day fee and replace with individual lunch charges.
- At City Academy Norwich, Fakenham Academy, Beccles High School, and Ixworth High School improve GCSE outcomes, as measured by progress 8.
- At City Academy Norwich continue programme of improvements behaviour including capital works to student entrance, new courses being offered (e.g. hair & beauty), and review of behaviour policy.
- At Attleborough Academy develop the next phase of the master plan, in partnership with Norfolk County Council, for expansion to meet housing growth. In addition, continue to work with Breckland Council and partners on developing leisure facilities to increase public use.
- At Beccles High School, Felix Primary School, and Ixworth High School deploy new IT infrastructure to replace aging equipment and undertake capital works to support school improvement and growth.
- Establish closer links between Wymondham College and Wymondham College Prep School through the provision of specialist teaching from Wymondham College.
- At Old Buckenham Primary School to continue reviewing demand for nursery provision.

Auditor

Insofar 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 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, on 4 December 2024 and signed on the Board's behalf by:



Peter Rout
Chair of Board

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

The Trustees have delegated the day-to-day responsibility to the Chief Executive Officer, 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 Sapienia Education Trust and the Secretary of State for Education. He is also responsible for reporting to the 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 six times during the year. The Trustee Board attendance during the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout (Chair)	6	6
Mr I Baker	2	6
Mrs L Cornell	3	6
Mr F Davey (resigned 8 December 2023)	0	1
Mrs J Dwyer	5	6
Mr R Hill	5	6
Mr R Margand (Vice-Chair)	5	6
Mr T North	5	6
Mrs C Saint (appointed 12 December 2023)	4	4
Mrs P Sheppard	5	6
Mr J Taylor (Chief Executive Officer and Accounting Officer)	6	6

Conflicts of Interest

Trustees have several measures in place to manage conflicts of interest:

- Maintaining an up-to-date Register of Interests that is published on the Trust website
- Declaration of any conflicts of interests a standing agenda item at each Board meeting (including Committees). This is recorded as a formal declaration
- Where there may be a potential conflict of interest, the Board takes legal advice

Governance Reviews

The Board continued to receive reports of all aspects of the Trust's operations through its committee structure as noted below. The Board is content with the data and information it receives the Committee reports - the provision of quality and quantity of data to allow the Board to carry out its work is noted within the Trust's Risk Register.

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

During 2022, the Board carried out a review of its governance arrangements. The Board consulted Chairs of local governing bodies about the work the Board had previously asked them to carry out on their behalf, discussions with the Trust's executive team, feedback from Headteachers and discussions with other MATs about their governance arrangements. The review identified a number of issues including the following:

- A need to evolve the governance structure to make better use of the skill set of those operating at Trustee, Committee and local level.
- A need to consider whether or not the scheme of delegation was appropriate especially when LGBs were being asked to carry out specialist monitoring that they were not equipped or trained to be able to do.
- There was duplication and overlap between different strands of governance and the work of the Trust's executive team.
- New governor recruitment was challenging at a number of Trust schools.
- Trustee connection with parents/carers was in danger of becoming diluted.

Following consideration of a number of options that Board adopted the following governance structure from September 2022:

- Creation of two new Board Committees. The Boarding Committee to focus on boarding provision at Wymondham College and Wymondham College Prep School to ensure compliance with the National Minimum Standards for Boarding. The Local Compliance Committee to work with schools and ensure statutory compliance in a number of areas.
- Replacing the Standards Committee with Education Committee.
- Introducing Parent Focus groups at each school to replace LGBs.

The **Audit and Risk Committee** is a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's internal and external audit report findings, and financial statements, to ensure they reflect best practice, and to review the effectiveness of the Trust's internal control systems established to ensure that the aims, objectives and key performance targets of the organisation are achieved in the most economic, effective and environmentally preferable manner. The 19th June 2024 meeting was non-quorate, all decisions required were approved by the Board of Trustees. Trustee attendance at meetings in the year was as follows:

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr I Baker (Chair)	3	3
Mr F Davey (resigned 8 December 2023)	0	1
Mr R Margand	0	3
Mr P Rout	3	3
Mr J Taylor (Chief Executive Officer and Accounting Officer)	3	3

The **Finance Committee** is a sub-committee of the main Board of Trustees. Its purpose is to review the financial performance at each Trust school to ensure that each school operates its budget within approved limits and in accordance with the Trust Financial Rules and Procedures. The 7th February 2024 meeting was cancelled due to sickness. The meeting on 29th November 2023 was non-quorate, all decisions required were subsequently approved by the Board of Trustees. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Rout (Chair)	5	5
Mr I Baker	4	5
Mr R Margand	2	5
Mr J Taylor (Chief Executive Officer and Accounting Officer)	5	5

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

The **HR and Remuneration Committee** is also a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's HR policies and HR activity as well as approving any pay award recommendations. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Hill (Chair)	2	2
Mr R Margand	0	0
Mr P Rout	2	2
Mrs C Saint	1	1
Mr J Taylor (Chief Executive Officer and Accounting Officer)	2	2

The **Infrastructure Committee** is a sub-committee of the main Board of Trustees. Its purpose is to review the Trust's Estate Management Plan, H&S activities and IT Infrastructure. The 13th March 2024 meeting was non-quorate, all decisions required were subsequently approved by the Board of Trustees. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr F Davey (Chair, resign 8 December 2023)	1	1
Mr T North (Chair)	3	3
Mr P Rout	3	3
Mr J Taylor (Chief Executive Officer and Accounting Officer)	2	2

The **Education Committees** are sub-committees of the Board of Trustees. Their purpose is to review the Trust's educational performance across all schools and to monitor progress of pupils at all stages of their education, with the Education Committee looking at performance at a Trust level. The Committees half termly to discuss primary schools, half termly to discuss secondary schools, and termly to review overall data. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs P Sheppard (Primary Chair)	8	9
Mrs J Dwyer (Secondary Chair)	9	9
Mr T North	13	15
Mr P Rout	6	15
Mr J Taylor (Chief Executive Officer and Accounting Officer)	15	15

The **Boarding Committee** is a sub-committee of the Board of Trustees established on 1 September 2022. The purpose is to review the Trust's boarding provision including compliance with National Minimum Standards for Boarding. The Boarding Committee is Chaired by an Independent Chair, a CEO from another Trust. The 17th June 2024 meeting was non-quorate, all decisions required were subsequently approved by the Board of Trustees. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Margand	2	3
Mr P Rout	3	3
Mr J Taylor (Chief Executive Officer and Accounting Officer)	2	3

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

The **Local Compliance Committee** is a sub-committee of the Board of Trustees established on 1 September 2022. Its purpose is to ensure school statutory compliance in a number of areas. Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Margand (Chair)	2	2
Mrs L Cornell	1	2
Mr T North	2	2
Mr P Rout	1	2
Mrs C Saint (appointed 12 December 2023)	2	2
Mr J Taylor (Chief Executive Officer and Accounting Officer)	1	2

Review of Value for Money

As accounting officer, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received. The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Ensuring that three quotations are sought for high value orders in accordance with the Trust Financial Rules and procedures.
- Value engineering construction projects to achieve savings where possible.
- Ensuring that, where possible, contracts are re-negotiated on a Trust-wide basis to achieve better economies of scale.
- Where existing agreements were already in place, the Trust continued to support suppliers in accordance with Government guidance.

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 ongoing process designed to identify and prioritise the risks to the achievement of 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 Sapientia Education Trust for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

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

The Board buy-in an internal audit service from Larking Gowen, in line with the recommendations of the Academies Trust Handbook. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. The audits carried out in the current period included:

- Spring Term 2024: Review of the Trust's payroll processes.
- Summer term 2024: Review of the Trust's management of SEND funding.

During the Spring and Summer terms, the internal auditor reports to the Board of Trustees, through the Audit and Risk Committee on the operations of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Internal Auditor was able to complete their work during the year and there were no material control issues identified. Any recommendations for improvement have been addressed by the Trust and progress against these areas will be reported to the Audit and Risk Committee during the forthcoming academic year.

Review of Effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the period 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 and the school resource management self-assessment tool; and
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

SAPIENTIA EDUCATION TRUST

GOVERNANCE STATEMENT (continued)

Conclusion

Based on the advice of the Audit and Risk Committee and the accounting officer, the Board of Trustees is of the opinion that the Trust has an adequate and effective framework for governance, risk management and control.

Approved by order of members of the Board of Trustees on 4 December 2024 and signed on its behalf by:



Peter Rout
Chair of Board of Trustees



Jonathan Taylor
Accounting Officer

SAPIENTIA EDUCATION TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Sapiientia Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2023.

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.

Jonathan Taylor

Jonathan Taylor
Accounting Officer

Date: 4 December 2024

SAPIENTIA EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including its income and expenditure of the charitable company and the group, 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 in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024
- Make judgements and accounting estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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 group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and 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 and the group applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 4 December 2024 and signed on its behalf by:



Peter Rout
Chair of Board of Trustees

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST

Opinion

We have audited the financial statements of Sapiencia Education Trust (the 'parent academy trust') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the consolidated Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2023 to 2024 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent academy trust's affairs as at 31 August 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education & Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 about the group and parent academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST (continued)

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions 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, which includes the Strategic Report and the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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 by the parent academy trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy trust's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 set out on page 28, the Trustees (who are also the directors of the parent academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SAPIENTIA EDUCATION TRUST (continued)

Auditor responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance to confirm there are no instances of fraud or non-compliance with laws and regulations
- Reviewing journal entries to ensure they are appropriate and do not indicate management override
- Review of key accounting estimates, to ensure reasonable and no signs of management bias
- Review of disclosures within the financial statements and vouching these to supporting documentation to ensure compliance with applicable laws and regulations
- We also considered whether the results of our assurance on regularity work identified any indicators of fraud or non-compliance of laws and regulations

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: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for> This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Proctor

MARK PROCTOR FCA DChA (Senior Statutory Auditor)
For and on behalf of LOVEWELL BLAKE LLP, Statutory Auditor

5/12/2024

.....

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

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

In accordance with the terms of our engagement letter dated 12 August 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Sapientia Education Trust during the period 1 September 2023 to 31 August 2024 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 Sapientia Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Sapientia Education 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 Sapientia Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Sapientia Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Sapientia Education Trust's funding agreement with the Secretary of State for Education dated 1 February 2011 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 period 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament and 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 Accountants of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

Delegated authorities: Carrying out the suggested procedures detailed in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.60-4.65 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academy Trust Handbook 2023 regarding write-offs, property transactions, leases, novel and contentious payments, special payments to staff, borrowings, and if the terms of an Ntl have been complied with;

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SAPIENTIA
EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY
(continued)**

Transactions with connected parties: Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.66 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academy Trust Handbook 2023 regarding declarations of interest and contracts with connected parties, including governors, and employees providing external consultancy;

Governance: Carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.67 in considering whether the academy trust has followed its own internal processes and complied with the Academy Trust Handbook 2023 regarding its governance arrangements;

Internal controls: Identifying the policies, reviewing their effectiveness and testing the operation of controls, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.68 in order to consider whether the academy trust has followed its own internal processes and complied with the Academy Trust Handbook 2023 regarding its internal controls;

Procurement: Identifying the policies, reviewing their effectiveness and testing their operation, through carrying out the suggested procedures in the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts Part 4 section 4.69 in order to obtain evidence that the academy trust has followed its own internal processes and complied with the Academy Trust Handbook 2023 regarding its procurement procedures; and

Income: Considering the conditions associated with specialist grant income and whether it has been spent as the purposes intended.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Mark Proctor

MARK PROCTOR FCA DChA (Reporting Accountant)
LOVEWELL BLAKE LLP

Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

5/12/2024

.....

SAPIENTIA EDUCATION TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 August 2024 (Including Income and Expenditure Account)

	Note	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2024	Total 2023
		£000	£000	£000	£000	£000
Income & endowments from:						
Donations & capital grants	2	-	184	2,102	2,286	2,680
Transfer of existing academies joining the Trust		-	-	-	-	19,123
Other trading activities	4	494	1,965	-	2,459	2,013
Investments	5	508	-	-	508	199
Charitable activities:						
Funding for the Trust's educational operations	3	542	46,900	-	47,442	43,243
Boarding activities	3, 26	-	8,509	-	8,509	8,060
Total		1,544	57,558	2,102	61,204	75,318
Expenditure on:						
Charitable activities:						
Trust's educational operations	6, 7	949	49,687	7,765	58,401	52,351
Provision of boarding activities	6, 26	-	7,952	-	7,952	7,624
Total	6	949	57,639	7,765	66,353	59,975
Net income / (expenditure)		595	(81)	(5,663)	(5,149)	15,343
Transfers between funds	16	-	-	-	-	-
Other recognised gains / (losses):						
Actuarial gains /(losses) on defined benefit pension schemes	16, 24	-	-	-	-	1,287
Net movement in funds		595	(81)	(5,663)	(5,149)	16,630
Reconciliation of funds						
Total funds brought forward	16	803	2,019	108,368	111,190	94,560
Total funds carried forward		1,398	1,938	102,705	106,041	111,190

All of the Trust's activities derive from continuing operations during the above two financial periods.

The notes on pages 33 to 58 form part of these financial statements.

SAPIENTIA EDUCATION TRUST**CONSOLIDATED AND COMPANY BALANCE SHEETS as at 31 August 2024**

	Note	2024 Trust £000	2024 Group £000	2023 Trust £000	2023 Group £000
Fixed assets					
Tangible assets	12	101,940	101,940	105,710	105,710
Current assets					
Debtors	13	1,821	1,737	2,069	2,100
Cash at bank and in hand		11,329	11,422	11,879	12,099
		13,150	13,159	13,948	14,199
Liabilities					
Creditors: Amounts falling due within one year	14	8,498	8,506	8,292	8,542
Net current assets		4,652	4,653	5,656	5,657
Total assets less current liabilities		106,592	106,593	111,366	111,367
Creditors: Amounts falling due after more than one year	15	(552)	(552)	(177)	(177)
Net assets excluding pension asset/(liability)		106,040	106,041	111,189	111,190
Defined benefit pension scheme asset/(liability)	24	-	-	-	-
Total net assets	17	106,040	106,041	111,189	111,190
Funds of the Trust:					
Restricted funds					
Fixed asset fund	16	102,705	102,705	108,368	108,368
Restricted income fund	16	1,938	1,938	2,019	2,019
Pension reserve	16	-	-	-	-
Total restricted funds		104,643	104,643	110,387	110,387
Unrestricted income funds	16	1,397	1,398	802	803
Total funds		106,040	106,041	111,189	111,190

During the year, the charitable company made a deficit of £5,066k, including gift aid from subsidiary of £83k (2023: surplus £16,683k, including gift aid from subsidiary of £53k).

The financial statements on pages 30 to 58 were approved by the Trustees and authorised for issue on 4 December 2024 and are signed on their behalf by:

Peter Rout
Chair of Board of Trustees

The notes on pages 33 to 58 form part of these financial statements.

SAPIENTIA EDUCATION TRUST**STATEMENT OF CASH FLOWS for the year ended 31 August 2024**

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Net cash (used in) / provided by operating activities	19	(3,287)	(493)
Cash flows from investing activities	20	<u>2,610</u>	<u>2,532</u>
Change in cash and cash equivalents in the reporting period		<u>(677)</u>	<u>2,039</u>
Cash and cash equivalents at 1 September 2023		<u>12,099</u>	<u>10,060</u>
Cash and cash equivalents at 31 August 2024	21/22	<u><u>11,422</u></u>	<u><u>12,099</u></u>

The notes on pages 33 to 58 form part of these financial statements.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies

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

a) Basis of Preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust has a fully owned subsidiary company, Sapientia Lettings Limited. The subsidiary company commenced trading on 1 September 2022 and the results of this company for the years ended 31 August 2023 and 2024 are consolidated within these accounts.

b) 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 company 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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.

c) Income

All incoming resources are recognised when the 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 period 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 grant 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.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies (continued)

c) Income (continued)

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 period it is receivable and to the extent the Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Transfer on conversion

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the Trust

Where assets and liabilities are received on the transfer of an existing academy into the Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing academy into the Trust within Donations and capital grant income to the net assets acquired.

Donated fixed assets (excluding Transfers on conversion/into the 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 a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

d) 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.

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies (continued)

e) Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

f) Depreciation

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

Freehold buildings	2% straight line
Leasehold property	Over the period of the lease/average remaining life
Plant and machinery	10% straight line
Fixtures, fittings and equipment	10% straight line
Motor vehicles	25% reducing balance
Computer hardware	25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

g) 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 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.

h) Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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

i) Leased Assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies (continued)

j) Leased property

The Trust has recognised the value of the property occupied by it, under a lease of 125 years from the date of joining the Trust, as prepared on behalf of the Education and Skills Agency, for all academies joining the Trust since 1 September 2016 as listed on page 3.

k) Financial Instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Trust and their measurement basis 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 13. Prepayments are not financial instruments. Amounts due to the charity'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 notes 14 and 15. 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 charity's wholly owned subsidiary are held at face value less any impairment.

l) Taxation

The 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 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.

m) Pensions Benefits

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

Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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. The TPS is a 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.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies (continued)

m) Pensions Benefits (continued)

Local Government Pension Scheme

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Where a pension scheme is in surplus, the resulting defined benefit plan asset is only recognised to the extent that the Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan, in accordance with FRS 102 28.22.

n) Fund Accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education and Skills Funding Agency/Department for Education.

o) Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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 asset/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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

As detailed in m) above a pension asset is only recognised to the extent that the Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan, in accordance with FRS 102 28.22.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

1. Statement of accounting policies (continued)

o) Critical accounting estimates and areas of judgement (continued)

As disclosed in j) above the Trust has recognised the value of its leasehold property at a valuation prepared on behalf of the Education and Skills Funding Agency. This property is then depreciated over the useful economic life in accordance with the Trust's accounting policies.

p) Redundancies

Where an obligation to make a redundancy or termination payment arises, the costs incurred by the Trust are accounted for on an accruals basis and included within employee benefits.

q) Agency arrangements

The 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 Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid, and any balances held are disclosed in note 27.

r) Investments

The Trust's shareholding in the wholly owned subsidiary Sapienia Lettings Limited is included in the balance sheet at the cost of the share capital less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Capital grants	-	2,102	2,102	2,597
Donated fixed assets	-	-	-	-
Other donations	-	184	184	83
	-	2,286	2,286	2,680

Income from donations and capital grants was £2,286k (2023: £2,680k) of which £Nil (2023: £8k) was unrestricted, £184k (2023: £75k) was restricted general funds and £2,102k (2023: £2,597k) related to restricted fixed asset funds.

Donations and capital grants include government funding of £2,286k (2023: £2,672k).

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

3. FUNDING FOR THE TRUST'S EDUCATIONAL AND BOARDING OPERATIONS

	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Educational operations				
DfE/ESFA grants				
• General Annual Grant (GAG)	-	35,371	35,371	36,640
Other DfE/ESFA Grants				
• Pupil Premium	-	1,535	1,535	1,508
• Others	528	7,151	7,679	3,102
	<u>528</u>	<u>44,057</u>	<u>44,585</u>	<u>41,250</u>
Other Government grants				
• Local authority grants	7	2,323	2,330	1,479
• National grants	7	60	67	53
Other educational income				
• Teacher Training Income	-	-	-	-
• Supply Teacher Cover /Insurance claims	-	-	-	-
• Day pupil fees	-	460	460	461
	<u>14</u>	<u>2,843</u>	<u>2,857</u>	<u>1,993</u>
Total educational operations	<u>542</u>	<u>46,900</u>	<u>47,442</u>	<u>43,243</u>
Boarding operations				
Boarding fees	-	8,266	8,266	7,765
Rents received	-	24	24	20
Catering income	-	117	117	95
Miscellaneous income	-	102	102	180
	<u>-</u>	<u>8,509</u>	<u>8,509</u>	<u>8,060</u>
	<u>542</u>	<u>55,409</u>	<u>55,951</u>	<u>51,303</u>

Funding for educational and boarding operations amounted to £55,951k (2023: £51,303k) of which £542k (2023: £8,397k) was unrestricted and £55,409k (2022: £42,906k) related to restricted general funds.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

4. OTHER TRADING ACTIVITIES	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Hire of facilities	489	-	489	471
Income from ancillary trading activities	5	1,965	1,970	1,542
	494	1,965	2,459	2,013

Income from other trading activities was £2,459k (2023: £2,013k) of which £494k (2023: £2,013k) was unrestricted and £1,965k (2023: £Nil) related to restricted general funds.

5. INVESTMENT INCOME	Unrestricted Funds £000	Restricted Funds £000	Total 2024 £000	Total 2023 £000
Short term deposits	508	-	508	199

Investment income relating to the Trust's boarding operations is shown in note 3.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

6. EXPENDITURE

	Staff Costs £000	Non Pay Expenditure		Total 2024 £000	Total 2023 £000
		Premises £000	Other £000		
Trust's educational operations (note 7)					
• Direct costs	34,273	6,973	2,750	43,996	37,780
• Allocated support costs	7,093	4,095	3,217	14,405	13,947
• FRS102 pension costs	-	-	-	-	624
	41,366	11,068	5,967	58,401	52,351
Trust's boarding operations (note 26)					
• Direct costs	3,698	-	30	3,728	3,954
• Allocated support costs	-	673	3,551	4,224	3,670
	3,698	673	3,581	7,952	7,624
	45,064	11,741	9,548	66,353	59,975

Total expenditure for 2024 was £66,353k (2023: £59,974k) of which £949k (2023: £10,531k) was unrestricted, £57,639k (2023: £43,638k) related to restricted general funds and £7,765k (2023: £5,806k) related to restricted fixed asset funds.

Net income/(expenditure) for the period includes:

	2024 £000	2023 £000
Operating lease rentals	151	82
Depreciation	3,770	3,778
Fees payable to auditor for:		
- Audit	40	40
- other services	4	4

Included within expenditure are the following transactions:

Individual items above £5,000:

	Total £000	Amount £000	Reason
Unrecoverable debts	72	None over £5,000	Boarding fees irrecoverable

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

7. CHARITABLE ACTIVITIES

			Total 2024 £000	Total 2023 £000
Direct costs – educational operations			43,996	37,780
Direct costs – boarding	26		3,728	3,954
Support costs – educational operations			14,405	13,947
Support costs – boarding	26		4,224	3,670
FRS102 Pension costs	24		-	624
			<u>66,353</u>	<u>59,975</u>
Analysis of support costs		Educational	Total	Total
	Boarding	Operations	2024	2023
	£000	£000	£000	£000
Support staff costs	-	7,093	7,093	6,800
Technology costs	-	2,025	2,025	1,452
Premises costs	673	4,095	4,768	4,554
Legal costs – conversion	-	-	-	-
Legal costs – other	-	472	472	238
Other support costs	3,551	695	4,246	4,464
Governance costs	-	25	25	109
Total support costs	<u>4,224</u>	<u>14,405</u>	<u>18,629</u>	<u>17,617</u>
Governance costs				
Legal and professional fees			(16)	60
Auditor’s remuneration			40	44
Governors’ reimbursed expenses			<u>1</u>	<u>5</u>
			25	109

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

8. STAFF

a. Staff costs and employee benefits

	Total 2024 £000	Total 2023 £000
Staff costs during the period were:		
Wages and salaries	32,899	29,552
Social security costs	3,180	2,829
Pension costs	7,602	7,125
Other employee benefits	-	-
	43,681	39,506
Agency staff costs	1,354	1,353
Staff restructuring costs	29	119
	45,064	40,978
Staff restructuring costs comprise:		
Redundancy payments	-	46
Severance payments	29	73
	29	119

b. Severance payments

The Trust paid 7 severance payments in the year, disclosed in the following bands:

0 - £25,000	7
£25,001-£50,000	0
£50,001-£100,000	0
£100,001-£150,000	0
£150,000+	0

c. Special staff severance payments

Included in staff restructuring costs are special payments totalling £29k (2023: £73k). Individually the payments were £16k and £13k.

d. Staff numbers

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

	2024 No.	2023 No.
Charitable Activities		
Teachers	414	408
Administration/educational support	439	396
Residential/matrons	117	127
Cleaners/estates/catering	125	123
Management	55	28
	1,150	1,082

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

8. STAFF (continued)

e. Higher paid staff

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

	2024 No.	2023 No.
£60,001 - £70,000	21	16
£70,001 - £80,000	16	8
£80,001 - £90,000	4	3
£90,001 - £100,000	3	2
£100,001 - £110,000	4	2
£110,001 - £120,000	1	1
£120,001 - £130,000	1	-
£160,001 - £170,000	1	1

Higher paid staff include headteachers and other senior leaders paid in line with national payscales.

f. Key management personnel

The key management personnel of the 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 Trust was £1,191k (2023: £1,095k).

9. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- educational support services
- estates management
- IT management
- others as arising

As the Trust pools GAG for its schools, no central services charges arose.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from employment with the Trust. The CEO and other Staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment.

The value of Trustees' remuneration and other benefits was as follows:

J Taylor (CEO and Trustee)		
Remuneration	£180,000 - £190,000	(2023: £160,000 - £170,000)
Employer's pension contributions	£45,000 - £50,000	(2023: £35,000 - £40,000)

During the period ended 31 August 2024, travel and subsistence expenses totalling £5,434 were reimbursed or paid directly to 2 Trustees (2023: £4,363 to 2 Trustees). Other related party transactions involving the Trustees are set out in note 25.

11. TRUSTEES AND OFFICERS INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides maximum cover up to £10,000,000 and the cost for the period ended 31 August 2024 is included within the premium per pupil as part of the risk protection arrangement with the DfE. The cost of this insurance is included in the total insurance cost.

12. TANGIBLE FIXED ASSETS – Trust and Group

	Land & buildings £000	Fixtures & fittings, plant & machinery £000	Computer Equipment £000	Motor vehicles £000	Total 2024 £000
Cost					
At 1 September 2023	124,567	202	140	172	125,081
Acquisitions	-	-	-	-	-
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 August 2024	<u>124,567</u>	<u>202</u>	<u>140</u>	<u>172</u>	<u>125,081</u>
Depreciation					
At 1 September 2023	19,054	173	14	130	19,371
Charged in year	3,734	11	14	11	3,770
Disposals	-	-	-	-	-
At 31 August 2024	<u>22,788</u>	<u>184</u>	<u>28</u>	<u>141</u>	<u>23,141</u>
Net book values					
At 31 August 2024	<u>101,779</u>	<u>18</u>	<u>112</u>	<u>31</u>	<u>101,940</u>
At 31 August 2023	<u>105,513</u>	<u>29</u>	<u>126</u>	<u>42</u>	<u>105,710</u>

In March 2020 the DfE registered a legal charge against the freehold land on which Wymondham College Prep School is built. This is to safeguard the integrity of Wymondham College Prep School in the unlikely event of it ever leaving the Trust.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

13. DEBTORS

	2024	2024	2023	2023
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Trade debtors	274	293	503	534
VAT recoverable	445	445	355	355
Other debtors	118	15	11	11
Prepayments and accrued income	984	984	1,200	1,200
	<u>1,821</u>	<u>1,737</u>	<u>2,069</u>	<u>2,100</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2024	2023	2023
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Trade creditors	271	272	817	818
Other taxation and social security	1,603	1,603	1,402	1,402
Other creditors	2,644	2,646	2,774	3,019
Accruals and deferred income	3,980	3,985	3,299	3,303
	<u>8,498</u>	<u>8,506</u>	<u>8,292</u>	<u>8,542</u>

Deferred income

	2024	2024	2023	2023
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Deferred income at 1 September 2023	1,118	1,118	582	582
Released from previous years	(1,118)	(1,118)	(582)	(582)
Resources deferred in the year	682	682	1,118	1,118
Deferred income at 31 August 2024	<u>682</u>	<u>682</u>	<u>1,118</u>	<u>1,118</u>

Deferred income related to amounts received from ESFA and local authorities during the current financial year relating to the following financial year.

15. CREDITORS: AMOUNTS FALLING DUE OVER ONE YEAR

	2024	2024	2023	2023
	Trust	Group	Trust	Group
	£000	£000	£000	£000
Loans	552	552	177	177
	<u>552</u>	<u>552</u>	<u>177</u>	<u>177</u>

£500k of the balance relates to a GAG advance loan on CAN. The remaining balance relates to Salix and Annex loans.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

16. FUNDS	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Gains losses and transfers £000	Balance at 31 August 2024 £000
Restricted general funds					
General Annual Grant (GAG) and other DfE/ESFA grants	2,215	44,402	(45,040)	(963)	614
Pupil premium	-	1,535	(1,535)	-	-
Boarding fund	(196)	8,509	(7,952)	963	1,324
Other grants	-	3,112	(3,112)	-	-
Pension reserve	-	-	-	-	-
	2,019	57,558	(57,639)	-	1,938
Restricted fixed asset funds					
DfE/ESFA capital grants	3,466	2,102	(3,995)	(256)	1,317
Transfer on conversion/existing academies joining Trust	104,902	-	(3,770)	256	101,388
	108,368	2,102	(7,765)	-	102,705
Total restricted funds	110,387	59,660	(65,404)	(1,045)	104,643
Unrestricted funds					
General fund	803	1,544	(949)	-	1,398
Total unrestricted funds	803	1,544	(949)	-	1,398
Total funds	111,190	61,204	(66,353)	-	106,041

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

GAG & other DfE/ESFA grants: the restricted income fund is for the purpose of specific expenditure within the Trust's declared objectives. DfE/ESFA grants relate to government funding for the provision of education by the Trust. Funding is repayable if the Trust does not meet all funding requirements. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

Pupil premium: this income is used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Provision for boarding: this relates to the repayment of boarding support which is deducted from GAG payments.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

16. FUNDS (continued)

Pension reserve: this relates to the deficit on the local government pension fund. Any increase in pension contributions suggested by the Scheme Actuary should be able to be met from the Trust's budgeted annual income.

DfE/ESFA capital grants: provided by the government for specific capital projects.

Fixed asset fund: the value of fixed assets acquired from unrestricted funds since conversion.

Transfers between funds relate to transfers between boarding funds and GAG, and transfers between fixed asset funds.

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

16. FUNDS	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG) and other DfE/ESFA grants	1,846	40,097	(39,899)	171	2,215
Pupil premium	-	1,508	(1,508)	-	-
Provision for boarding	(294)	-	-	98	(196)
Other grants	-	1,607	(1,607)	-	-
Teaching school	269	-	-	(269)	-
Pension reserve	(1,452)	789	(624)	1,287	-
	369	44,001	(43,638)	1,287	2,019
Restricted fixed asset funds					
DfE/ESFA capital grants	2,897	2,597	(2,028)	-	3,466
Transfer on conversion/existing academies joining Trust	90,577	18,103	(3,778)	-	104,902
	93,474	20,700	(5,806)	-	108,368
Total restricted funds	93,843	64,701	(49,444)	1,287	110,387
Unrestricted funds					
General fund	652	10,617	(10,531)	65	803
Rate of Return	65	-	-	(65)	-
Total unrestricted funds	717	10,617	(10,531)	-	803
Total funds	94,560	75,318	(59,975)	1,287	111,190

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

16. FUNDS (continued)

Total funds analysis by academy

Fund balances for each academy as at 31 August 2024 and 31 August 2023 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs (excluding depreciation) £000	Total 2024 £000	Total 2023 £000
Wymondham College	11,948	102	241	3,605	15,896	15,564
Old Buckenham Primary School	961	9	43	201	1,214	1,212
Seething & Mundham Primary	542	1	20	84	647	612
Burston Primary	363	11	21	72	467	319
Tivetshall Primary	329	3	35	72	439	269
Rockland St Mary Primary School	363	2	20	80	465	462
Surlingham Primary	370	3	21	88	482	451
Great Hockham Primary and Nursery School	495	3	26	97	621	577
Stradbroke High	1,954	19	68	436	2,477	2,279
Ghost Hill Infant and Nursery School	1,048	9	47	185	1,289	1,102
Framingham Earl High School	4,348	18	200	831	5,397	4,970
Old Buckenham High School	2,852	17	61	661	3,591	3,349
White House Farm Primary School	1,135	15	75	199	1,424	1,022
Attleborough Academy	4,593	20	120	1,094	5,827	5,054
Fakenham Academy	4,065	43	145	976	5,229	4,866
Wymondham College Prep School	1,734	20	57	235	2,046	1,649
City Academy Norwich	4,493	92	253	1,487	6,325	5,211
Central Services	3,462	241	94	4,661	8,458	6,352
Total expenditure	45,005	628	1,547	15,064	62,294	55,320

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2024 are represented by:

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	101,940	101,940
Net current assets	1,398	2,490	765	4,653
Creditors: amounts falling due after one year	-	(552)	-	(552)
Pension scheme asset/ (liability)	-	-	-	-
Total net assets	1,398	1,938	102,705	106,041

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

	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	Total Funds £000
Tangible fixed assets	-	-	105,710	105,710
Net current assets	803	2,196	2,658	5,657
Creditors: amounts falling due after one year	-	(177)	-	(177)
Pension scheme asset/ (liability)	-	-	-	-
Total net assets	803	2,019	108,368	111,190

18. COMMITMENTS UNDER OPERATING LEASES

Operating leases

At 31 August 2024 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2024 Trust £000	2024 Group £000	2023 Trust £000	2023 Group £000
Amounts due within one year	127	127	58	58
Amounts due between one and five years	307	307	170	170
Amounts due after five years	199	199	216	216
	633	633	444	444

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

19. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £000	2023 £000
Net (expenditure) / income for the reporting period (as per the SOFA)	(5,149)	15,343
Adjusted for:		
Depreciation (note 12)	3,770	3,778
Transfer on academy joining the trust	-	(18,103)
Capital grants from DfE/ESFA and other capital income	(2,102)	(2,597)
Interest receivable (notes 3 and 5)	(508)	(199)
Defined benefit pension scheme cost less contribution payable (note 24)	-	2,217
Defined benefit pension scheme finance cost (note 24)	-	(2,382)
Decrease / (increase) in debtors	363	(1,134)
Increase / (decrease) in creditors	339	2,584
Net cash (used in)/provided by operating activities	(3,287)	(493)

20. CASH FLOWS FROM INVESTING ACTIVITIES

	2024 £000	2023 £000
Dividends, interest and rents received from investments	508	199
Purchase of tangible fixed assets	-	(265)
Capital grants from DfE/ESFA	2,102	2,597
Proceeds from sale of tangible fixed assets	-	1
Net cash provided by investing activities	2,610	2,532

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 August 2024 £000	At 31 August 2023 £000
Cash in hand and at bank	11,422	12,099
Total cash and cash equivalents	11,422	12,099

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

22. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2023 £000	Cash Flows £000	Acquisition/ disposal of schools £000	New finance leases £000	Other non- cash changes £000	At 31 August 2024 £000
Cash	12,099	(677)	-	-	-	11,422
Cash equivalents	-	-	-	-	-	-
Overdraft facility repayable on demand	-	-	-	-	-	-
Loans falling due within one year	(749)	-	-	-	518	(231)
Loans falling due after more than one year	(177)	-	-	-	(375)	(552)
Finance lease obligations	-	-	-	-	-	-
Total	11,173	(677)	-	-	143	10,639

23. MEMBERS LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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 cease to be a member.

24. PENSION AND SIMILAR OBLIGATIONS

The 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 Norfolk County Council, and Suffolk County Council in respect of Stradbroke High School. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

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

Teachers' Pension Scheme

Introduction

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

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million;

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to the TPS in the period amounted to £4,872k (2023: £3,966k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The 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 2024 was £3,438,000 (2023: £3,057,000) of which employer's contributions totalled £2,691,000 (2023: £2,382,000) and employees' contributions totalled £747,000 (2023: £675,000). The agreed contribution rates for future years range from 5.5% - 12.5% for employees, and 18.5% - 23.8% for employers.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022 the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Principal Actuarial Assumptions

Norfolk County Council

	At 31 August 2024	At 31 August 2023
	%	%
Rate of increase in salaries	3.4	3.7
Rate of increase for pensions in payment/inflation	2.7	3.0
Discount rate for scheme liabilities	5.0	5.2
Commutation of pensions to lump sums	45.0	50% & 75%

Suffolk County Council

	At 31 August 2024	At 31 August 2023
	%	%
Rate of increase in salaries	3.7	4.0
Rate of increase for pensions in payment/inflation	2.7	3.0
Discount rate for scheme liabilities	5.0	5.2
Commutation of pensions to lump sums	55.0	25% & 63%

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

Norfolk County Council

	At 31 August 2024	At 31 August 2023
<i>Retiring today</i>		
Males	20.0	20.0
Females	24.3	24.3
<i>Retiring in 20 years</i>		
Males	21.8	21.9
Females	25.7	25.8

Suffolk County Council

	At 31 August 2024	At 31 August 2023
<i>Retiring today</i>		
Males	20.2	20.2
Females	24.9	24.9
<i>Retiring in 20 years</i>		
Males	21.7	21.8
Females	25.8	25.9

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Sensitivity analysis

	31 August 2024 £000	31 August 2023 £000
Real discount rate -0.5%	945	845
Salary increase rate +0.5%	32	57
Pension increase rate +0.5%	933	804

The Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2024 £000	Fair value at 31 August 2023 £000
Equity instruments	25,946	21,123
Debt instruments	16,625	15,390
Property	5,340	5,046
Cash	1,437	809
Total market value of assets	49,348	42,368
Assets restricted due to scheme in surplus	(6,028)	(3,457)
Present value of scheme liabilities	(43,320)	(38,911)
Surplus/(deficit) in the scheme	-	-

Both LGPS schemes were in surplus at the year end (Norfolk County Council £5,552k, Suffolk County Council £476k). These surpluses have not been recognised as an asset in these accounts in accordance with the Trust's accounting policy, as the Trust is unable to recover the reduced contributions in the future, or through refunds from the plan.

The actual return on scheme assets was £4,234k (2023: £434k)

Amounts recognised in the Statement of Financial Activities	2024 £000	2023 £000
Current service cost	248	(584)
Past service cost	-	-
Interest income	2,273	1,707
Interest cost	(2,088)	(1,747)
Total amount recognised in the SOFA	433	(624)

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

	2024 £000	2023 £000
At 1 September	38,911	35,665
Transferred in on existing academies joining the Trust	-	3,983
Current service cost	2,443	2,966
Interest cost	2,088	1,747
Employee contributions	747	675
Actuarial (gain)/loss	(177)	(5,507)
Benefits paid	(692)	(618)
At 31 August	43,320	38,911

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

24. PENSION AND SIMILAR OBLIGATIONS (CONTINUED)

Changes in the fair value of Trust's share of scheme assets:

	2024 £000	2023 £000
At 1 September	42,368	34,213
Transferred in on existing academies joining the Trust	-	4,772
Interest income	2,273	1,707
Actuarial gain/(loss)	1,961	(763)
Employer contributions	2,691	2,382
Employee contributions	747	675
Estimated benefits paid	(692)	(618)
At 31 August	49,348	42,368

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the 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 or individuals to whom trustees are related. All such transactions are conducted in accordance with the requirements of the Academy Trust Handbook and the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place during the period:

During the year, management charges of £808,963 (2023: £175,499) were made by the Trust to Saxmundham Education Limited (formerly Seckford Education Trust). Saxmundham Education Limited is a related party by virtue of the fact that Mr P Rout, Mr R Margand and Mr I Baker (Trustees of Sapientia Education Trust) were appointed as trustees of Saxmundham Education Limited on 4 April 2023. In addition, Mr J Taylor (CEO of Sapientia Education Trust) and Mr S Dewing (CFO of Sapientia Education Trust) acted as CEO and CFO for Saxmundham Education Limited from this date. DFE approval was obtained for these transactions.

In addition £54,159 was owing to Saxmundham Education Trust as at 31 August 2024 and is included in creditors.

Sapientia Lettings Limited (formerly Wymondham College Enterprises Limited) is a fully owned subsidiary company of Sapientia Education Trust. The results for the period are consolidated within these accounts.

Results for the period:

Turnover	£290k
Expenditure	£207k
Profit	£83k
Gift aid to Trust	£83k
Capital and reserves	£-

Trustees Mr Rout, Mr Wood, Ms Cornell, Mr Margand, Mr North and Mrs Saint had family members attending schools within the Trust during the year. All relevant fees and charges were paid and no concessions received.

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

26. BOARDING TRADING ACCOUNT

	£000	2024 £000	£000	2023 £000
Income				
Fee income	8,265		7,765	
Rents received	24		20	
Catering income	117		95	
Other income	<u>103</u>		<u>180</u>	
		<u>8,509</u>		<u>8,060</u>
Expenditure				
Direct costs				
Boarding salaries	3,698		3,936	
Rate of return expenditure	-		-	
Other direct costs	<u>30</u>		<u>18</u>	
Total direct costs		3,728		3,954
Allocated support costs				
Catering salaries	837		1,028	
Maintenance of premises and equipment	204		476	
Cleaning	25		17	
Rent and rates	69		35	
Energy costs	369		218	
Provisions	1,040		891	
Transport	4		1	
Bank charges	1		-	
Advertising, marketing and recruitment	3		5	
Other support costs	<u>1,672</u>		<u>999</u>	
Total support costs		<u>4,224</u>		<u>3,670</u>
Total operating costs		<u>7,952</u>		<u>7,624</u>
Surplus / (deficit) on Boarding		557		436
Surplus/(deficit) brought forward at 1 September 2023		(196)		(632)
Fund transfers (note 16)		<u>963</u>		<u>-</u>
Surplus/(deficit) carried forward at 31 August 2024		<u>1,324</u>		<u>(196)</u>

SAPIENTIA EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2024

27. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for ESFA.

In the accounting period ending 31 August 2024 the Trust received £104k and disbursed £143k from the fund. An amount of £118k is included in deferred income relating to undistributed funds that is repayable to ESFA.

28. POST BALANCE SHEET EVENTS

On 1 September 2024, Beccles High School, Felix Primary School, and Ixworth High School joined the Trust.