

Stowe Valley Multi Academy Trust

Trustees' report and financial statements

For the year ended 31 August 2020

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

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Stowe Valley Multi Academy Trust
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Reference and administrative details

Members	R M Tweed P King D J M Billsborough (appointed 16 October 2019) D W Turner (resigned 18 January 2020) B T Wallace (deceased 12 May 2020) L J Dennish (resigned 17 July 2020)
Trustees	B T Wallace, Chair of Trustees (deceased 12 May 2020) C L Chevassut, (resigned 10 January 2020, reappointed 8 April 2020), Chair of Trustees from June 2020 K J Boucher T C Byrne K Ferguson I D Geddes K J Latham (resigned 11 March 2020) R S Samra, Chief Executive Officer P W Wain N J Wicks, Vice Chair of Trustees J A Walsh (appointed 24 September 2019) M M Brierley (appointed 8 September 2020) E B Haden (appointed 8 September 2020) D Walker (appointed 8 September 2020)
Company registered number	10445759
Company name	Stowe Valley Multi Academy Trust
Principal and registered office	Southam College Welsh Road West Rugby Warwickshire CV47 0JW
Company secretary	P Robinson (appointed 1 December 2020)
Senior management team	R S Samra, Chief Executive Officer and Head of Southam College S Miller, Chief Financial Officer T Chambers, Head of Bilton School E Longworth, Head of Southam Primary School and MAT Primary Lead A Bedgood, Head of Stockton Primary School M Godfrey, Head of Temple Herdewyke Primary School and Executive Headteacher of Bishops Itchington Primary School J Sykes, Head of Bishops Itchington Primary School from 1 September 2020 D Hibbert, Head of Byfield Primary School J James, Head of Rokeby Primary School H Bridge, Head of Kineton High School

Stowe Valley Multi Academy Trust
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Reference and administrative details (continued)
For the period ended 31 August 2020

Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH
Bankers	Lloyds Bank 73 Parade Leamington Spa Warwickshire CV32 4BB
Solicitors	Warwickshire Legal Services Resources Group Warwickshire County Council Warwickshire CV34 4RR

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Introduction
For the period ended 31 August 2020

The Academic year 2019/2020 has been unprecedented for Stowe Valley Multi Academy Trust and globally. Managing during the COVID 19 pandemic with school closures, cancelled exams and SATs, maintaining education remotely alongside providing a safe haven for our vulnerable students has not been without challenge but we believe the Trust has gone from strength to strength. This is in no small part due to the creativity, resilience and sheer hard work of our staff, students, governors and school communities, and we would like to offer them our sincere thanks.

The Trust is now responsible for the education and wellbeing of over 4420 students, employs over 550 staff and includes 3 secondary and 6 primary schools. The foundation of the Trust's success has been a clear vision and determination to achieve goals which facilitate student learning and staff well-being, and which enable both staff and students to be 'the best they can be'. Providing the best all round education for our students by supporting our staff is our core business. We are determined our students will become kind, resilient and confident citizens for the future, and that they will take from us memorable experiences that contribute to life long curiosity and learning.

Similarly, we aim for our Governance to be the best it can be. We would like to thank our Members, Trustees and Local Governors for the time, passion and energy they give to their roles. Sadly, we have lost four Trustees and Governors this year and we would like to extend our condolences to their families as well as acknowledge the substantial contribution they made to the development of the Multi Academy Trust. The sudden passing of the Chair of the Trust Board and one of the founders of trust, Brian Wallace was a huge loss. His financial knowledge and passion for the trust has been missed. Chris Smart OBE, David Dimambro, and Bob Stevens all shared a passion for education and a strong sense of moral purpose in getting it right for our students. We will miss their contributions but our resilience in mitigating this loss is something we will continue to build upon.

We are pleased to present our Annual Trustee Report and Financial Statements..



C L Chevassut
Chair of Trustees

Date: 15 December 2020

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Trustees' report
For the period ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

During the year an additional secondary academy, Kineton High School, joined the multi-academy trust which now operates 9 academy schools (3 secondary and 6 primary) in South Warwickshire (8) and Northamptonshire (1): In addition Byfield school extended its age range to incorporate a pre school, previously run as a charitable concern on the school's site.

Academy School	Capacity as listed in Funding Agreement	Pupils on Roll (October 2019)
Southam College	1,650	1699
Bilton School	1,250	944
Kineton High School	1090	890
Byfield Primary School	120	73
Stockton Primary School	126	97
Southam Primary School	294	305
Bishops Itchington Primary School	180	160
Rokeby Primary School (joined on 01/01/19)	210	181
Temple Herdewyke Primary School (joined 01/02/19)	105	77
Total	5026	4426

On 1st September 2019 Kineton High School joined the multi-academy trust. At 31st August 2019 Kineton High School had a capacity of 1,090 pupils. Overall, The MAT had 152 more pupils than in the previous academic year.

Structure, governance and management

a. Constitution

Stowe Valley Multi Academy Trust ("Academy Trust") is a company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the multi academy trust. The Trustees of Stowe Valley Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Stowe Valley Multi Academy Trust.

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

b. Members' liability

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

Structure, governance and management (continued)

c. Trustees' indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on trust business.

d. Method of recruitment and appointment or election of Trustees

During the period of this report, the Board of Trustees has made the following appointments:

Members –

- Mark Billsborough appointed having previously served as a Trustee, expertise in risk management
- Phyllis King appointed from local community having been a Head teacher for 2 schools within the Southam area, expertise in education standards

Trustees –

- Clare Chevassut reappointed
- Clare Chevassut and Peter Wain redesignated as Member Appointed Trustees
- Michelle Brierly, Edward Ben Haden and Dave Walker were recruited over the summer holiday period and appointed to the board 08/09/20.

Members may appoint up to 5 trustees and the term of office for any trustee shall be four years but any trustee may be re-appointed or re-elected.

The member appointed trustees may appoint co-opted trustees. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed. The trustees may not co-opt an employee of the company as a co-opted trustee if the number of trustees who are employed by the company (including the Head Teachers) would thereby exceed one third of the total number of trustees.

Members and Trustees are appointed in accordance with the Articles of Association which became applicable on conversion. When a new Member or trustee is required the following process is followed:

- In the first instance, the Academy Trust will review the skill set of existing Members and Trustees in order to determine the skills it would seek from new appointees, drawing on its annual skills audit
- The Trust then advertises through its Website and Social Media channels, and through the academy trust's local governing bodies.
- Additionally, the Academy Trust will approach specialist bodies to find replacement applicants with specific professional skills that we are unable to recruit from the community
- Interested persons will then submit an application form, are interviewed by the Chair of the Trust Board, CEO and Safeguarding Lead, and subject to a positive outcome, satisfactory references, Enhanced DBS check and S128 checks will have their applications reviewed by the Board for approval.

e. Policies adopted for the induction and training of Trustees

The Academy Trust continues to subscribe to Warwickshire County Council's Governor Services, which exists to provide support and training for Warwickshire's school governors. A specific Trustee's Induction process was introduced in 2018/19 which is offered to all new appointees along with mentoring from an established Trustee.

Trustees' report (continued)
For the period ended 31 August 2020

Structure, governance and management (continued)

f. Organisational structure

The Academy Trust has defined the responsibilities of each person involved in the administration of Trust finances to avoid the duplication or omission of functions and to provide a framework of accountability for governors and staff. The financial reporting structure is illustrated below:

The Board of Trustees

The Board of Trustees has overall responsibility for the administration of the Trust's finances. The main responsibilities of the Board of Trustees are prescribed in the Master Funding Agreement and respective Supplemental Funding Agreements between the Trust and the Department for Education (DfE) and in the Trust's Scheme of Delegation. The main responsibilities include:

- Ensuring that the grant from the DfE is used only for the purposes intended.
- Approval of the annual budget for each academy.
- Appointment of the Accounting Officer.
- Appointment of the Chief Finance Officer, in conjunction with the Accounting Officer.

The Board of Trustees has wide discretion over its use of the Trust's funds, and is ultimately responsible for the proper stewardship of those funds and for ensuring economy, efficiency and effectiveness in their use – the three key elements – and ensuring value for money. It must also ensure that it uses its discretion reasonably and takes into account any and all relevant guidance and accountability or propriety.

The Trust Board has in place a Committee / Working Group structure and delegates duties to the Committees / Working Groups as per agreed Terms of Reference. However, any recommendations / decisions made by these Committees / Working Groups are referred to the Trust Board for ultimate approval.

The Committees / Working Groups formed are as follows:

The Committees / Working Groups formed are as follows:

- Governance, Audit and Risk Committee
- Educational Standards Committee
- Remuneration Committee
- Policies Working Group
- Commercial Working Group

Local Governing Bodies

The Trust Board devolve responsibilities to the Local Governing Body of each academy under an approved Scheme of Delegation.

The Chief Executive Officer – Accounting Officer

The Academy Trust has appointed a Chief Executive Officer who is the appointed Trust Accounting Officer and has overall personal responsibility for:

- Probity and regularity compliance.
- Prudent and economical Trust administration.
- Keeping of proper Trust Accounts.
- Ensuring value for money and avoiding waste and extravagance across the whole Trust.
- Efficient and effective use of available Academy resources.

Structure, governance and management (continued)

f. Organisational structure (continued)

The Chief Executive Officer – Accounting Officer (continued)

Much of the responsibility is delegated to the Trust's Chief Finance Officer to manage on a day-to-day basis. Additionally, within the framework that comprises the trust vision, strategic objectives and trust academy improvement plans, approved by the Board of Trustees, each Head Teacher has responsibility for their individual Academy Development Plans including the setting of their academy's individual budget and financial activities. Individual academy budgets are recommended by their respective Local Governing Body and are submitted to the Board of Trustees for approval annually or as required.

The Chief Finance Officer

The Trust's Chief Finance Officer works in close collaboration with the Accounting Officer through whom she is responsible to the Board of Trustees. The Chief Finance Officer, however, also has direct access to the Board of Trustees. The main responsibilities of the Chief Finance Officer are:

- The day to day management of financial issues including the establishment and operation of a suitable accounting system.
- The management of the academy financial position at a strategic and operational level within the framework for financial control determined by the Board of Trustees.
- The maintenance of effective systems of internal control.
- Ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the trust.
- The preparation of the annual operating budgets for each academy and the trust as a whole.
- The preparation of monthly managements accounts.
- The preparation of the annual capital budgets and submitting funding claims as appropriate within the specified timescales.
- Monitoring the individual capital programmes to ensure that they are delivered on time and on budget.
- Ensuring all forms and returns are sent to the relevant bodies in line within the appropriate timetable.

Other Staff

Other members of the central staff (Finance, IT, Estates, HR etc.) and the budget holders at each academy, will have some financial responsibilities and these are detailed in the Trust's Scheme of Delegation.

All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources and for conformity with the requirements of the Trust's financial procedures.

Structure, governance and management (continued)

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

The pay level set for the key management personnel are based on the National Teachers Pay guidelines. The Trust recognises that it may on occasions, due to market forces, have to enhance the offer made to ensure that the best staff are appointed. It is expected that any enhancements made can be met out of the trust / academy budgets.

At the start of each academic year the Senior Leadership team are set targets that reflect the strategic aims of the Trust and the local academy. The performance against these targets is monitored and reviewed at regular intervals throughout the year to determine whether progress towards achievement of targets is being maintained and, if not, develop a plan of action to rectify the issues. An annual appraisal is held at the end of the year and a report is produced that assesses the overall performance of the staff member and makes recommendations in respect of their remuneration. This report is submitted to the Pay committee of the Local Governing Body of the academy who in turn submit recommendations to the Local Governing Body. Pay awards will be made within the guidelines set. These recommendations will be ratified by the Trust, via the Remuneration Committee, if required, under the Scheme of Delegation.

For staff employed centrally by the Trust, the same process is followed save that the Chief Executive Officer, in conjunction with the Chief Finance Officer, will carry out the appraisal and will make the recommendation to the Board of Trustees, via the Remuneration Committee, for approval.

The annual appraisal of the Chief Executive Officer is undertaken by two Trustees with the support of an external advisor, with their recommendations considered by the Remuneration Committee who in turn make a recommendation to the Board of Trustees.

h. Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, Stowe Valley MAT does not have staff who meet this criterion.

i. Connected organisations, including related party relationships

The Academy Trust is not part of a wider network and does not have any related party relationships at this time.

Objectives and activities

a. Objects and aims

The Objects and Aims are as described in the Articles of Association:

- a) to advance the public education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum;
- b) to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The Academy Trust's Vision statement, which was revised in 2019 and approved by the Board of Trustees, is as follows:

"Our vision is encapsulated in our motto "Be the best you can be". We will

- create a seamless educational experience for our pupils across all stages;
- develop responsible, capable and confident young people who are active citizens in the 21st Century;
- use our success to drive us to reach even higher standards in all Academy Schools through a rich and motivating curriculum;
- be recognised by our staff, parents and the local community as providers of a safe, creative and ethical environment reinforced by a vibrant community dimension.

Overall, we will ensure that the MAT proactively adds value to each partner school so that the whole is always greater than the sum of the individual parts."

Our strategic plan for 2019-2022 states that our vision will be realised through the five objectives set out in the plan, underpinned by the five pillars on which our organisation is built

Curriculum - a rich, inspiring and engaging curriculum that enables all our students to be the best they can be, that provides opportunities for academic, creative and sporting success, memorable experiences and creates in our students a life long love of learning

People – recognising and valuing the contribution made by our students, staff, parents and carers and stakeholders, ensuring we have the right people to deliver our vision, that they are well led and managed, provided with the highest quality training and support, and that they work in an environment conducive to positive wellbeing. Engaging with our community and building strong partnerships that support our moral purpose and enhance the work we do.

Environment – buildings and facilities that are fit for purpose and meet our stringent health and safety requirements, that provide a positive and stimulating environment for our students and staff whilst recognising our stewardship responsibilities

Finance – a robust and sustainable approach to finance that maximises value for money, minimises the risk of fraud or misappropriation, and supports our academies in achieving our objectives

Governance – for Governance at all levels to be robust, based on best practice and striving for excellence

Objectives and activities (continued)

b. Objectives, strategies and activities

Based on the Trust's Articles of Association and Vision Statement, the Board of Trustees have identified the following strategic objectives for the period 2019-2022:

1. Demonstrate educational improvement, clearly measurable in all our Academy Schools year on year.

Performance indicators:

- Ofsted, DfE feedback and academy school self-evaluation activities demonstrate action and improvement over time;
- Pupil outcomes show the progress and attainment of the majority of our pupils is in line with or exceeding national benchmarks (CAGS at Secondary schools were professionally completed and all showed improved performance on previous years and Year 6 SATS teacher assessments show improvement on previous year);
- Demonstrable progress of vulnerable groups;
- The majority of teaching is good with an increasing proportion outstanding.

2. The Trust fosters an environment in which our students and staff are safe, happy, engaged and inspired, and which contributes to the development of well-rounded individuals who are prepared for the future.

Performance indicators:

- Pupils and parent surveys show high levels of satisfaction;
- Applications for admission to our schools show a rising trend over time;
- Attendance in our schools is in line with or exceeding National averages.

3. For Governance and Leadership at all levels to be based on best practice, robust and striving for excellence.

Performance indicators:

- Evidence of appropriate support and challenge in minutes of meetings;
- Members, Trustees and Governors have completed a Skills and Competency Audit, and each body can demonstrate that they have the relevant skills and experience to discharge their duties;
- Annual effectiveness reviews completed for the Trust Board by the Local Governing Bodies result in a rigorous and innovative plan, drawing on best practice across the Trust.

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

4. To develop our Trust to become a dynamic and sustainable organisation in line with our Strategic Vision.

Performance indicators:

- There is a robust due diligence process in place which ensures capacity within the Trust to sustain existing school and support new schools;
- Schools admitted into the Trust only when they successfully meet the requirements of the Growth Protocol;
- Annual analysis of the needs and aspirations of our students and community.

5. The Trust to have robust and sustainable finances that support our Academy Schools to be the best they can be.

Performance indicators:

- Individual schools demonstrate balanced budgets over a three-year period and/or have robust plans in place to achieve a positive balance;
- The Trust is able to build a reserve that allows the trust to support innovation and collaboration as well as mitigate against unforeseen financial requirements;
- The Trust is able to evidence income generation from grant or other alternative sources of funding, consistent with the Trust's vision, including for Capital projects.

Trustees' report (continued)
For the period ended 31 August 2020

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

To support the achievement of these objectives the Trust produces an annual Operational Plan. The 2019/20 plan, approved by the Trust Board 28th January 2020, focused on the following areas:

Strategic Objectives	Intent	Monitoring Body
Educational Improvement	All schools in Our Trust to provide or are moving rapidly towards providing at least 'good' levels of educational provision	Education Standards committee (ESC)
Positive Culture and Physical Environment	Achieve Statutory Building Compliance by 2020 in the areas identified by the MAT Facilities Manager Introduce an Organisation Approved Contractor scheme and delegated framework. Reduce Trust carbon footprint Consistent application of Trust HR policies Develop the MAT's employer brand nationally as an organisation with ambition and a sound future, and one where personal and professional development is given	Governance, Audit and Risk Committee (GAR) GAR ESC ESC ESC and Trust Board
Governance and Compliance	Develop MAT wide policy framework E-visits used to its full potential at all schools within the MAT Review past minutes and reports and maintain ongoing review Further develop Trustee and Governor Library Facilitate Admission Consultation Process	ESC ESC Trust Board Trust Board Trust Board
Growth	Ensure the Trust family is underpinned by an ethos and culture which ensures all stakeholders are highly values; and this creates a sustainable and positive reputation in the wider community and enables future growth	Education Standards and Trust Board
Safeguarding	Ensure the Trust is underpinned by a culture of safeguarding which is embedded trust wide	Trust Board
A dynamic and sustainable organisation	PR. <ul style="list-style-type: none"> Update all the schools' websites Continue to build a bank of shared resources People <ul style="list-style-type: none"> Ensure the Trust runs effectively at all levels of the organisation IT <ul style="list-style-type: none"> Bring all the schools into the SVM IT Network Restructure the SVM IT support service 	Trust Board Trust Board and Policy Group GAR
Finance	Move to one central bank account Centralisation of the Finance team Explore a new finance system and the ESFA Chart of Accounts	GAR

It should be noted that achievement of some aspects of the strategic objectives have been impacted by the Covid19 Pandemic.

Objectives and activities (continued)

c. Public benefit

The trustees of Stowe Valley Multi Academy Trust confirm that they have complied with their duty in Section 17(5) of the 2011 Charities Act to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Stowe Valley Multi Academy Trust comprises of three mixed secondary schools with successful 6th Forms and six primary schools. Together they offer an excellent educational environment for approximately 4,500 pupils. Our successes are built upon the efforts of a highly qualified, hard-working and enthusiastic staff, well-motivated pupils, very supportive parents and a highly committed Academy Trust Board with a strong connection with the local communities. All of our academies have high quality pastoral care systems.

The Academy Trust has excellent links with other Warwickshire Academies, local businesses and many more groups in our community. This ensures that we continue to generate better educational programmes for all young people, as well as improving transitional activities for students who will be coming to the secondary schools.

We value highly all contact with parents since we see a successful education being a partnership between parents, students and the academy. By working together, we are able to meet our aim of ensuring that all who attend our Academies will find it challenging, stimulating, caring, and a happy place to be. Enabled by our close partnership and community connections, all pupils within the member academies are able to participate in a wide variety of sports, clubs, trips and activities.

During the National Lockdown in response to Covid 19, the Trust was able to demonstrate its commitment to its local communities by

- Keeping all our academies open for the vulnerable students and children of key workers
- Offering remote education and support to all students and their families
- Offering food banks
- Producing face shields and washing bags for NHS staff and local care homes
- Developing creative community projects such as growing flowers and produce, art from recycled materials, the big sing, and many more activities designed to improve mental well being

Strategic report

Achievements and performance

a. Review of activities

The global pandemic has had a significant impact on the activities of the Trust during 2019/2020. Cancellation of the GCSE and A level exams required considerable work from our secondary school staff to produce fair and accurate centre assessed grades for students. We are pleased to report the three year trend results for our GCSE and A level students, noting the exceptional circumstances in which this year's results were produced.

Stowe Valley GCSE results overview

School	Year	Average KS2 entry	Average Point Score	Progress 8	% 9-7 English and Maths	%9-5 English and Maths	%9-4 English and Maths
Southam	2018	4.8	53.8	+0.5	12	60	87
	2019	4.9	54.4	+0.46	15	60	82
	2020	4.8	55.8	+0.75	17	63	87
Kineton	2018	4.8	50.8	+0.05	16	51	74
	2019	4.9	48.8	-0.11	10	48	72
	2020	4.8	51.5	+0.36	14	51	76
Bilton	2018	4.7	41.5	-0.38	4	33	60
	2019	4.7	45.9	+0.02	7	41	66
	2020	4.7	48.7	+0.45	9	49	69

Stowe Valley 'A'Level Overview

School	Year	Cohort	Average Point score	Value Added	A*/A %	A*/B %	A*/E %
Southam	2018	172	35.02	+0.17	26	58	100
	2019	132	33.35	+0.04	21	52	100
	2020	154	41.09	+0.56	39.7	73.6	100
Kineton	2018	59	30.66	-0.19	15.4	38.6	98
	2019	47	26.99	-0.28	7.8	27.1	95
	2020	64	35.78	+0.19	22.4	45.3	100
Bilton	2018	63	26.48	+0.24	15.4	35	98
	2019	64	25.72	+0.20	7.5	33	100
	2020	21	35.01	+0.47	8.3	48	100

Strategic report (continued)

Achievements and performance (continued)

It is not possible to report Primary school results for this year as SATS, Phonics assessments and Early Years measures were disrupted by Covid 19. Prior to the National lockdown in March 2020, our staff reported that primary school students were on track to achieve similar or better results than those reported in 2018/19. We are pleased to report that Byfield primary school moved from a 'Requiring Improvement' to 'Good with outstanding features in Personal Development' status following Ofsted's inspection of the school in 2020.

Bilton School was inspected by Ofsted in September 2019. Although Inspectors found many aspects of the school had improved since its previous inspection which had rated the school as 'Inadequate with Special Measures' they were concerned that the Safeguarding culture was not effectively embedded across the school and consequently the school received an Inadequate overall grade. This prompted a Trust wide review of Safeguarding, leading to the appointment of a MAT wide Safeguarding Lead. His appointment has enabled the Trust to introduce a robust quality assurance framework for our safeguarding practice and systems, supported the development of new training and professional development opportunities and resources, and provided high quality support to our staff working in our academies.

Data alone does not give the full measure of the impact our schools have on students. All schools in the trust are committed to providing students with opportunities to succeed creatively, physically and in their development as kind, resilient and responsible citizens of the future. We do this through providing a wide range of curriculum enrichment activities such as our Global Virtues weeks, mental health awareness, charity weeks, sports and cultural events, as well as a wide range of extra curricular clubs. Whilst many of these activities were necessarily curtailed during the latter half of this academic year, staff provided a rich range of activities to students remotely above and beyond the curriculum offer. Examples include a story time YouTube channel for younger children, art projects and competitions, the Big Sing in which students recorded their part which was then added to other recordings for a weekly 'release', fitness activities, and our community growing schemes.

The work of our student facing staff is enhanced by the infrastructure of support provided by our Central team. Over the last year our finance team have embedded and developed their practice, they have introduced new systems through effective centralisation which has allowed budget savings. These savings have created more resources for education leaders to use in giving every student and staff member the opportunity to 'be the best they can be' every day.

The work of the central team has also facilitated the huge improvements in our school estate. As a result of the hard work and dedication of our Estate teams our environment continually reflects our high expectations for students and staff, therefore our school buildings are fit for purpose, clean, and never allowed to fall into disrepair. We are always looking to develop our estate with new buildings; this year a large number of projects have been carried out across the schools in the Trust, ranging from replacement fire alarm systems, security fencing installation to replacement window and door projects.

In addition to the above, we have a number of new buildings such as Southam College Sports Hall and Southam Primary Nursery.

Within our trust we believe in employing the very best staff and looking after them. The work of the Human Resources and ICT teams has provided staff with the best tools to be successful and provide a springboard to carry out their roles whether this is student facing or in other areas. Our investment in ICT over the year runs into many £100,000's. This is money well spent as without the most modern equipment and support we cannot achieve our aspirational goals. The focus of our HR team is to support staff wellbeing and ensure that we keep our 575 staff, but also recruit quickly and effectively when vacancies arise.

Strategic report (continued)

Achievements and performance (continued)

We have continued to review the functions required within our central team and the value and impact they can have on our Trust. During the year we have appointed a MAT Safeguarding Manager who has led on trust wide consistency in ensuring we are working to provide outstanding practice in keeping our students and staff safe at all times. Internal quality assurance reviews in all schools are being undertaken on a rolling program. This appointment has facilitated the MAT being able to offer accredited internal and external Safeguarding training which is of huge benefit to our staff and the wider community.

b. Key Performance Indicators

The Trust has set out its key performance indicators in its 3 year Strategic Plan. Whilst activity has necessarily been restricted during the global pandemic, the Trustees are satisfied that the Trust has continued to make good progress against the targets set, as demonstrated below:

Demonstrable educational improvement, clearly measurable in all our Academy Schools year on year.

Performance indicators:

- Ofsted, DfE feedback and academy school self-evaluation activities demonstrate action and improvement over time;

Byfield School rated good with outstanding features by Ofsted. Inspectors noted significant improvement in Bilton School although its rating remained inadequate. Self evaluation by the majority of our academies, with external evaluation from our School improvement advisors shows academies to be good or better.
- Pupil outcomes show the progress and attainment of the majority of our pupils is in line with or exceeding national benchmarks;

GSCE and A level results in each of our secondary schools demonstrate a consistent three year trend of improvement, with results being at or above national average at Southam College and Kineton, and improvement at Bilton School. Bilton School has shown significant improvement in its Value Added and Progress 8 scores. SAT results are not available for this year, however, in school assessments showed that all schools would have achieved improvement on previous year.
- Demonstrable progress of vulnerable groups;

As above for these groups
- The majority of teaching is good with an increasing proportion outstanding.

Both internal and external observation report above 90% good and outstanding teaching This is evidenced by regular and robust activities, these include lesson observations/learning walks/ book trawls and student voice activities.

Strategic report (continued)

Achievements and performance (continued)

The Trust fosters an environment in which our students and staff are safe, happy, engaged and inspired, and which contributes to the development of well-rounded individuals who are prepared for the future.

Performance indicators:

- Pupils and parent surveys show high levels of satisfaction;

The Trust conducted parent surveys in reference to the support and education provided during lockdown. Very positive outcomes recorded. Examples of parental comment include:

"We cannot praise the school enough for the support, learning and information that has been provided throughout the pandemic. The school is an asset to the village." (Bishops Itchington parent)

"The teachers and support staff at Byfield have been fabulous and I really feel that what is best for the children has always been at the forefront of any decision made. I am so happy that my children attend Byfield Primary School."

"I am so thoroughly impressed with the care and education that has been provided to my child during lockdown and I have no doubt that the safe, positive and loving environment you provide for children will make returning to Stockton a positive experience"

"I love being at Temple Herdewyke Primary School because all of the teachers are nice and never so no if you want help. All of the children are friendly are happy to help if you are lonely. I always have friends at school." (Year 6 student)

- Applications for admission to our schools show a rising trend over time;

The Trust welcomed an additional 153 pupils this year.

- Attendance in our schools is in line with or exceeding National averages.

Attendance figures have been skewed by COVID in this year. During lockdown all our schools were open for vulnerable and key worker' children. Engagement with online learning was estimated to be about 90% in Secondary Schools. Prior to lockdown all schools with the exception of Bilton School had attendance figures in line with or exceeding national levels. Bilton had a robust attendance strategy in place and figures showed improvement on 2018/19 and improvement was expected to continue.

For Governance and Leadership at all levels to be based on best practice, robust and striving for excellence.

Performance indicators:

- Evidence of appropriate support and challenge in minutes of meetings;
- Members, Trustees and Governors have completed a Skills and Competency Audit, and each body can demonstrate that they have the relevant skills and experience to discharge their duties;
- Annual effectiveness reviews completed for the Trust Board by the Local Governing Bodies result in a rigorous and innovative plan, drawing on best practice across the Trust.

All activities have been completed as described. Support for clerks has been in place with regular meetings across the year. The Trust plans to review Governance arrangements in 2020/2021.

Trustees' report (continued)
For the period ended 31 August 2020

Strategic report (continued)

Achievements and performance (continued)

To develop our Trust to become a dynamic and sustainable organisation in line with our Strategic Vision.

Performance indicators:

- There is a robust due diligence process in place which ensures capacity within the Trust to sustain existing school and support new schools;

Completed for Kineton High School. Supported negotiations with the Local Authority to secure a capital grant of over £100,000.
- Schools admitted into the Trust only when they successfully meet the requirements of the Growth Protocol;

As above
- Annual analysis of the needs and aspirations of our students and community.

Extensive surveys and other activities were undertaken to understand students needs in preparation for return to school post lock down. This included understanding students' emotional and welfare support needs in order to have a robust recovery curriculum in place for their return.

The Trust to have robust and sustainable finances that support our Academy Schools to be the best they can be

Performance indicators:

- Individual schools demonstrate balanced budgets over a three-year period and/or have robust plans in place to achieve a positive balance;
- The Trust is able to build a reserve that allows the trust to support innovation and collaboration as well as mitigate against unforeseen financial requirements;
- The Trust is able to evidence income generation from grant or other alternative sources of funding, consistent with the Trust's vision, including for Capital projects.

All schools have robust financial support to achieve balanced budgets. The Trust had an opening balance of restricted and unrestricted revenue excluding the pension reserve of £1,560,560 as at 1st September 2019 constituting a substantial reserve to support its work. It received restricted and unrestricted income of £24,125,903 and spent £23,718,586 (excluding pension costs) during 2019/20, giving a closing balance of £1,967,877. School condition allocation (SCA) funding of £1,221,090 was received supporting a range of projects, including security fencing, fire alarm upgrades, and new windows. This built on the previous year during which funding for 3 major capital projects had been secured. A new nursery building at Southam Primary School was completed and funded by the LA with Section 106 money after a successful bid. The Multipurpose Hall at Byfield Primary was completed which was funded through a DfE CIF bid in 2018. Southam College Sports Hall also funded by CIF was delayed by lockdown and was handed over in October 2020.

c. Going concern

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

Strategic report (continued)

Financial review

a. Review of finances

A review of the structure of the MAT Finance was undertaken and a move to a centralised team and system has been put in place from 1st September 2020. The purpose of this was to remove the finance functions from individual schools where staff often didn't have the specialist knowledge required to undertake the financial processes required of them. The time needed to carry them out was often difficult to find in primaries where the priorities of administrative staff are numerous.

As well as moving to a centralised team, research into a new Financial IT system was also undertaken. PS Financials, the system purchased at the MAT's creation, is very expensive and the support poor. A move to Sage for Education was agreed from 1st September 2020 at which point the ESFA Chart of Accounts has also been adopted. Sage for Education will provide a financial saving and support improved reporting in the coming years.

Kington High School joined the MAT with a revenue deficit of £34,645 and capital surplus of £53,356. The budget set pre-conversion with the LA stated an in year-deficit of over £200K for 2019-20 increasing further the total deficit. Following joining the MAT the budget was revised and although the in-year deficit was reduced it still stood at £141,681. A recovery in the forthcoming years was forecast to be possible and a surplus position to be reached by 2022-23.

b. Reserves Policy

The Academy trust brought forward a healthy reserve as at 1st September 2020.

All three of our Secondary Schools experienced cost savings during lockdown, particularly in terms of teacher supply costs, general running costs and energy costs. Although all schools have incurred increased costs for cleaning, PPE, and appropriate materials for remote learning, these have been supported from central reserves. The table below shows the Trust's reserve position:

Trust Funds	As at 31st August 2020 £	As at 31st August 2019 £
Restricted funds	275,064	50,952
Restricted fixed asset funds	57,545,269	38,814,774
Restricted funds excluding pension asset	57,820,333	38,865,726
Pension reserve	(9,862,000)	(7,219,000)
Total restricted funds	47,958,333	31,646,726
Unrestricted income funds	1,692,813	1,509,608
Total funds	49,651,146	33,156,334

A more detailed analysis of the above can be found in Note 20 of the annual accounts.

c. Investment Policy

Investments will be made only in accordance with written procedures approved by the Board of Trustees. At present, all funds held by the Trust as at 31st August 2020 were in an interest bearing account with Lloyds Banking Group. Given the lack of certainty of future grant funding, enduring pressure on individual academy budgets, the scale of possible new capital projects over the next 2-3 years and the scope of the forward maintenance plan, the Trustees consider that we do not have sufficient funds to lock into an investment policy at this time. This position will be reviewed by Trustees on an annual basis.

d. Principal Risks and Uncertainties

During 2020, Covid-19 has posed unprecedented economic and societal challenges resulting in a changed environment for the education sector. The Trust has reacted to these challenges and, using the framework previously established, has sort to ensure that the additional risks related to this event have been managed.

The focus of the Trustees has been to support the CEO and senior leadership team in identifying risks to the operation of the MAT and responding to these risks accordingly. Examples include:

- Overseeing the development of comprehensive Covid-19 risk assessments for each academy within the trust;
- Maintaining safe access to school premises for students whose parents qualify as key-workers and for those where safeguarding concerns have required continuity of access to on-site education;
- Delivering remote access education for students and responding to the changing requirements for GCSE and A-Level assessments at the end of the 2019/2020 academic year;
- Ensuring on-going delivery voucher provision to students who qualify for free school meals;
- Maintaining premises during periods of low usage and potentially greater security risk.

The approach has been to add an overarching risk to the Risk Register which has been assessed as the top risk faced by the Trust. However, where appropriate, an overlay using a Covid-19 lens has been applied to other risks already identified and documented within the Risk Register. This has enabled close oversight to be applied recognising the unique circumstances in which the Trust is operating.

The oversight and governance measures employed by the Trust have been effective in providing constructive challenge to the CEO and senior leadership team, the Trustees are proud of the way in which educational standards have been maintained in this environment.

In addition to the additional risk posed by Covid-19, the Trust has maintained its focus on key risks. As at 31 August 2020, the highest risks under consideration by the Trust Board included:

Strategic Risk

- Student Numbers Varying from PAN
- Access to Nursery care at inconsistent resulting in risk as feeder into Primary Schools
- Attendance

Financial Risk

- Inadequate budget management and/or loss of financial control

Regulatory/Reputational Risk

- Government / Legislative / Regulatory change of Policy on MATs
- Trust Board/Governance - Failure to develop clear aims and strategies for the MAT & Academies

Operational Risk

- Failure of IT Network/equipment and/or infrastructure
- Protection of Confidential Data – GDPR
- Brexit

Trustees' report (continued)
For the period ended 31 August 2020

The Governance, Audit and Risk Committee, a sub-committee of the main Trust Board, has maintained oversight of these risks during the year and the way in which management have responded.

In accordance with the Academies' Financial Handbook, the Trust has continued to develop its approach to Internal Scrutiny during the year. This has focussed on developing an Internal Scrutiny Programme based in key areas of operational activity. These include:

- Governance
- Financial including payroll & HR systems
- Health & Safety
- GDPR
- ICT

During 2019/2020, the programme has been flexed to recognise the challenges posed by Covid-19. Nonetheless, the Trust Board have maintained close oversight of Financial Control and have performed specific deep dive reviews of ICT and Safeguarding provision across the Trust. The current work from home environment has provided a further test of the Trust's existing financial controls. For example, the authorisation controls allowed an attempt to copy an employee's email account presenting an invoice for payment to be identified and thwarted immediately. During periods of remote working, payroll has been scrutinised in even more depth by the CFO and the effectiveness of the controls has ensured that there has been no compromise to the integrity of the systems.

Going forward, the programme will address these requirements as follows:

Area	Action	Frequency
Governance	Regular review of The Top 10 Musts for Chairs & Trustees	3 times per year by Trust Board /GAR
Financial	Internal audit carried out by bought-in service	Annually or more if a significant change occurs in personnel
Health & Safety	Annual audit of each school undertaken by an external H & S company	Annually
GDPR	Audit undertaken by bought-in service DPO service from Warwickshire Education Services	Annually
ICT	Peer review of systems including e-security and safety and robustness of provision	Annually

e. Fundraising

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

f. Plans for future periods

We are mindful that our future plans will be informed by the ongoing Covid situation and we will continue to support our staff and students through this challenging time. Developing our remote learning options and supporting the well being of staff and students alike will be key priorities. As circumstances allow we will be focusing on five key areas of development for the Trust as outlined below. ,

Alignment

- Developing a stronger sense of what it means to be a member of the Stowe Valley Multi Academy Trust
- Developing partnerships that enhance the education we offer with organisations that share our visions and values
- Translating our Vision, Values and Ethos into practice
- Developing our communication with stakeholders
- Continuing to develop the right central services to support our academies in being the best they can be
- Embedding our shared policy and practice frameworks

Governance

- Reviewing our governance structures to ensure they are fit for purpose as the organisation grows and develops

Staff Well-being and Development

- Supporting our staff through the ongoing Covid situation
- Developing a wider range of CPD and professional development opportunities, particularly looking at staff being able to work across our academies when circumstances allow
- Developing a management training programme to support our middle and senior leaders, and those aspiring to become school leaders of the future
- Continuing to develop our Human Resources service

Educational Development

- Review the impact of Covid 19 on the life chances of our students, providing an appropriate recovery curriculum that enable students to catch up and which supports their mental well being
- Be creative in developing memorable experiences that replace the curriculum enhancement activities curtailed by Covid
- Promote our key message of developing students who are kind, confident and resilient

Growth

- Review our SEND provision, 6th Form Offer, use of Alternative Provision and support services for pupil well being to ensure we have the best provision possible
- Complete due diligence and admission of one primary school and one nursery provision
- Continue to enhance our school buildings through our capital programme

Streamlined energy and carbon reporting

STREAMLINED ENERGY AND CARBON REPORTING REPORT

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

2019/20

Energy consumption used to calculate emissions (kWh)	6,203,509
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Energy consumption break down (kWh) (optional):

• gas	4,725,262
• electricity	1,436,598
• transport fuel	41,649

Scope 1 emissions in metric tonnes CO2e

Gas consumption	868.83
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Owned transport – mini-buses	4.99
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Total Scope 1	873.83
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Scope 2 emissions in metric tonnes CO2e

Purchased electricity	334.93
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee owned vehicles	4.92
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Total gross emissions in metric tonnes CO2e	1213.67
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Intensity ratio Tonnes CO2e per pupil	0.27
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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 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

Some measures have been taken this year to improve energy efficiency in our largest secondary where all the lighting was replaced. Energy usage was reduced due to closure of the schools from March 2020 due to COVID-19. More staff have been working at home, which has reduced mileage costs as more remote meetings have taken place. As an organisation we will look to continue to reduce mileage in this way by holding meetings virtually where appropriate.

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Trustees' report (continued)
For the period ended 31 August 2020

Funds held as custodian

The Trust holds no Assets and Funds as Custodian Trustee on Behalf of Others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2020 and signed on its behalf by:



C L Chevassut
Chair of Trustees

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Governance Statement

Scope of responsibility

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

The Board of Trustees has 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 Stowe Valley Multi Academy Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 10 times during the period.

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

Trustee	Meetings attended	Out of a possible
B T Wallace, Chair of Trustees (deceased 12 May 2020)	6	6
C L Chevassut, (resigned 10 January 2020, reappointed 8 April 2020), Chair of Trustees from June 2020	8	8
K J Boucher	7	10
T C Byrne	8	10
K Ferguson	6	10
I D Geddes	9	10
K J Latham (resigned 11 March 2020)	3	4
R S Samra, Chief Executive Officer	10	10
P W Wain	9	10
N J Wicks, Vice Chair of Trustees	9	10
J A Walsh (appointed 24 September 2019)	7	10

This has been a demanding year for the Board of Trustees with particular challenges including:

- Supporting our CEO and all staff in responding to the Covid 19 pandemic
- Welcoming a third Secondary school into the Trust
- Responding to the Ofsted concerns about Safeguarding in one of our schools
- Sudden loss of the Chair of Trust Board, a former Trustee and two experienced governors
- Challenging times in which to recruit Trustees, Local Governors and Staff

Governance Statement (continued)

Governance (continued)

Education Standards Committee is a sub-committee of the main board of Trustees.

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K J Boucher	4	4
K Ferguson	3	4
R S Samra	4	4
P W Wain	4	4
N J Wicks	2	3

Governance Audit & Risk Committee is also a sub-committee of the main board of Trustees.

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C L Chevassut	4	4
I D Geddes	7	7
R S Samra	7	7
N J Wicks	6	7
B T Wallace	3	5

Remuneration Committee is also a sub-committee of the main board of Trustees. I D Geddes, P W Wain and B T Wallace all attended 1 meeting out of a possible 1.

Governance Reviews

Our governance structure continues to evolve and will mature as our Trust develops. We plan to undertake a major review of our Governance Arrangements during 2020/2021 to ensure that all our structures are fit for purpose and provide the most effective mechanisms for governance as the Trust grows. We have reviewed our Scheme of Delegation within this year and made changes to clarify the relationships between and responsibilities of each level of Governance in the organisation. Each Academy within the Trust has its own Local Governing Body who monitor the performance of their own Academy. Our Governance Charter, common terms of reference, scheme of delegation, strategic plan and the risk register are in place and provide the foundation of how we operate as a group of academies.

Financial performance is monitored at Trust level and by the Local Governing Body at every Academy on a regular basis. The Trust's Chief Finance Officer meets regularly with the Head Teacher, and the appropriate finance officer, to review their financial performance to date. These meetings have increased the financial information available to Head Teachers and Local Governing Bodies and provide better management information for decision making.

Governance Statement (continued)

Review of Value

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking where available. As the Trust is still evolving the Board are continuing to look at ways to:

- Improve the educational outcomes throughout the Trust with a view of increasing the potential number of pupils at each academy;
- Improve the purchasing power of the Trust by innovatively thinking how services can be purchased at Trust level rather than at individual academies; and
- Improve the organisational structures and reduce any staff duplication wherever possible.

Committees

During 2019/20 the Trust Board maintained its Committee Structure

- 1) Governance, Audit and Risk,
- 2) Educational Standards, and
- 3) Remuneration (operational from September 2019)

The Policy and Commercial working groups completed their work and were disbanded. A short life task group to complete a review of the Scheme of delegation also concluded its work.

All of the above Committees / Working Groups report to the full Trust Board.

The Local Governing Bodies also have, as required, various sub committees that monitor the day to day operation of the various academies.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This system of internal control has been in place in Stowe Valley Multi Academy Trust for the year to 31st August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31st August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governance, Audit and Risk Committee and the Board of Trustees.

Governance Statement (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed by the Governance, Audit and Risk Committee and agreed by the Board of Trustees;
- monthly review of the accounts by the Chair of the Trust Board and Chair of Governance, Audit and Risk Committee
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The programme of work for internal scrutiny is set out above.

Review of effectiveness

As Accounting Officer, the Chief Executive Officer has responsibility for the effectiveness of the system of internal control. During the year in question this review has been informed by:

- the work of the Board of Trustees;
- the work of the external auditors;
- the work of the internal auditor;
- the work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Trustees on 15 December 2020 and signed on their behalf by:



Clare Chevassut
Chair of Trustees



Ranjit Samra
Accounting Officer

Statement on Regularity, Propriety and Compliance

As accounting officer of Stowe Valley Multi Academy Trust I have considered my responsibility to notify the Multi Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Multi Academy Trust, under the funding agreement in place between the Multi Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Multi Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the board of Trustees and ESFA:

The management accounts presented each month to the Trust Board have included income, expenditure, variation to budget and cash flows. It has not been possible during the year ended 31 August 2020 to present a balance sheet on a monthly basis. Although a template was created in September 2019, due to a number of factors we have not relayed the information to the Board. These include problems with our financial accounting software, late audit adjustments and the impact and disruption of remote working and absence due to COVID-19.

Our Chair of Trustees was very supportive and was aware of the situation from the beginning. We are very conscious that this needs to be addressed and fully intend to produce a balance sheet each month for the year ended 31 August 2021. We have moved to new financial software from September 2020, and this is proving to be a very positive move and one which will enable us to produce fit for purpose management accounts including all the requirements of the Academies Financial Handbook for 2020.



R S Samra
Accounting Officer

Date: 15 December 2020

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the period ended 31 August 2020

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 15 December 2020 and signed on its behalf by:



C L Chevassut
Chair of Trustees

Independent auditors' Report on the financial statements to the Members of Stowe Valley Multi Academy Trust

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the period 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 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Multi Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' Report on the financial statements to the Members of Stowe Valley Multi Academy Trust (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. 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.

In connection with our audit of the financial statements, 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent auditors' Report on the financial statements to the Members of Stowe Valley Multi Academy Trust (continued)

Responsibilities of trustees

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Andrew Morris FCA (Senior statutory auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

15 December 2020

Independent Reporting Accountant's Assurance Report on Regularity to Stowe Valley Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 6 November 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stowe Valley Multi Academy Trust during the period 1 September 2019 to 31 August 2020 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 Stowe Valley Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stowe Valley Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Stowe Valley Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Stowe Valley Multi Academy Trust's funding agreement with the Secretary of State for Education dated 5 April 2017 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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 Multi Academy Trust's income and expenditure.

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Stowe Valley Multi Academy Trust and the Education & Skills Funding Agency (continued)

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

As noted in the Accounting Officer's Statement on Regularity, Propriety and Compliance, the management accounts produced during the year did not include a balance sheet.

Dains LLP

Statutory Auditor
Chartered Accountants

Date: 15 December 2020

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the period ended 31 August 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Income from:						
Donations and capital grants:	4					
Transfer from local authority on conversion		(34,645)	(1,049,000)	15,522,413	14,438,768	2,992,461
Other donations and capital grants		29,017	448,722	4,253,659	4,731,398	2,881,100
Charitable activities:						
Funding for the academy trust's educational operations	5	-	23,347,285	-	23,347,285	17,537,222
Teaching schools	33	-	75,895	-	75,895	48,128
Other trading activities	6	244,914	7,874	-	252,788	430,875
Investments	7	6,841	-	-	6,841	2,102
Total income		246,127	22,830,776	19,776,072	42,852,975	23,891,888
Expenditure on:						
Raising funds	8	-	447,249	-	447,249	887,715
Charitable activities:						
Academy trust's educational operations	9	62,922	24,077,844	1,045,577	25,186,343	19,221,800
Teaching schools	33	-	52,571	-	52,571	62,271
Total expenditure		62,922	24,577,664	1,045,577	25,686,163	20,171,786
Net movement in funds before other recognised losses		183,205	(1,746,888)	18,730,495	17,166,812	3,720,102
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	29	-	(672,000)	-	(672,000)	(2,142,000)
Net movement in funds		183,205	(2,418,888)	18,730,495	16,494,812	1,578,102

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the period ended 31 August 2020

		Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	As restated Total funds 2019 £
Reconciliation of funds:						
Total funds brought forward as previously stated		1,509,608	(7,168,048)	37,634,774	31,976,334	30,398,232
Prior period adjustment	16	-	-	1,180,000	1,180,000	1,180,000
Total funds brought forward as restated	20	1,509,608	(7,168,048)	38,814,774	33,156,334	31,578,232
Net movement in funds		183,205	(2,418,888)	18,730,495	16,494,812	1,578,102
Total funds carried forward	20	1,692,813	(9,586,936)	57,545,269	49,651,146	33,156,334

The notes on pages 41 to 76 form part of these financial statements.

Stowe Valley Multi Academy Trust
(A company limited by guarantee)
Registered number: 10445759

Balance sheet
As at 31 August 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Intangible assets	15	1,619	7,150
Tangible assets	16	56,439,044	38,279,860
		<u>56,440,663</u>	<u>38,287,010</u>
Current assets			
Debtors	17	934,930	916,199
Cash at bank and in hand	25	3,604,747	4,334,340
		<u>4,539,677</u>	<u>5,250,539</u>
Creditors: amounts falling due within one year	18	(1,445,193)	(3,138,235)
Net current assets		<u>3,094,484</u>	<u>2,112,304</u>
Total assets less current liabilities		<u>59,535,147</u>	<u>40,399,314</u>
Creditors: amounts falling due after more than one year	19	(22,001)	(23,980)
Net assets excluding pension liability		<u>59,513,146</u>	<u>40,375,334</u>
Defined benefit pension scheme liability	29	(9,862,000)	(7,219,000)
Total net assets		<u><u>49,651,146</u></u>	<u><u>33,156,334</u></u>
Funds of the Multi Academy Trust			
Restricted funds:			
Fixed asset funds	20	57,545,269	38,814,774
Restricted income funds	20	275,064	50,952
Restricted funds excluding pension reserve	20	57,820,333	38,865,726
Pension reserve	20	(9,862,000)	(7,219,000)
Total restricted funds	20	<u>47,958,333</u>	<u>31,646,726</u>
Unrestricted income funds	20	<u>1,692,813</u>	<u>1,509,608</u>
Total funds		<u><u>49,651,146</u></u>	<u><u>33,156,334</u></u>

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Balance sheet (continued)
As at 31 August 2020

The financial statements on pages 36 to 76 were approved by the Trustees, and authorised for issue on 15 December 2020 and are signed on their behalf, by:



C L Chevassut
Chair of Trustees

The notes on pages 41 to 76 form part of these financial statements.

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Statement of cash flows
For the period ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(1,056,944)	116,954
Cash flows from investing activities	24	326,271	495,734
Cash flows from financing activities	23	1,080	(54,527)
Change in cash and cash equivalents in the reporting period		(729,593)	558,161
Cash and cash equivalents at the beginning of the period		4,334,340	3,776,179
Cash and cash equivalents at the end of the period	25, 26	3,604,747	4,334,340

The notes on pages 41 to 76 form part of these financial statements

1. General information

Stowe Valley Multi Academy Trust is a private company limited by guarantee and incorporated in the United Kingdom. The company registered number and registered office address are given on page 1 of these financial statements. The Trust's principal operations and activities are set out in the Trustees' Report.

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stowe Valley Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

Other income, including income from lettings, is recognised in the year it is receivable and to the extent the Multi Academy Trust has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the Multi Academy 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 Multi Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

- **Expenditure on raising funds**

This includes all expenditure incurred by the Multi Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

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

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

2.7 Intangible assets

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

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

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

Amortisation is provided on the following basis:

Computer software	- 33 % straight line
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2. Accounting policies (continued)

2.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Long-term leasehold land	- 0.8% straight line
Furniture and fixtures	- 10% straight line
Computer equipment	- 25% straight line
Motor vehicles	- 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 and reclassified to freehold or leasehold land and buildings.

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.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 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 Multi Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2. Accounting policies (continued)

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. 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.

2.13 Operating leases

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

2.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Multi Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

2. Accounting policies (continued)

2.15 Conversion to an academy trust

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

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

Further details of the transaction are set out in note 27.

2.16 Agency arrangements

The Multi Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of financial activities as the Multi Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 32.

2.17 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

3. 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 Multi Academy Trust 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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

Critical areas of judgement:

Depreciation and residual values

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Notes to the financial statements
For the period ended 31 August 2020

4. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Transfer on conversion (Note 27)	(34,645)	(1,049,000)	15,522,413	14,438,768
Trips income	-	448,722	-	448,722
Donations	29,017	-	408,908	437,925
Capital Grants	-	-	3,844,751	3,844,751
	<u>(5,628)</u>	<u>(600,278)</u>	<u>19,776,072</u>	<u>19,170,166</u>

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Transfer on conversion	126,539	(418,000)	3,283,922	2,992,461
Trips income	-	878,422	-	878,422
Donations	70,192	10,927	26,819	107,938
Capital Grants	-	-	1,894,740	1,894,740
	<u>196,731</u>	<u>471,349</u>	<u>5,205,481</u>	<u>5,873,561</u>

5. Funding for the Multi Academy Trust's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	20,084,522	20,084,522	15,437,510
Pupil Premium	723,260	723,260	560,870
Universal Infant Free School Meals	153,188	153,188	130,202
Rates Relief	101,913	101,913	78,421
PE and Sport Grant	102,739	102,739	83,135
Year 7 Catch Up Grant	39,916	39,916	33,436
Teachers' pay/pensions grants	1,094,053	1,094,053	149,501
Start up grants	-	-	48,998
Other DfE/ESFA grants	23,324	23,324	74,610
	22,322,915	22,322,915	16,596,683
Other government grants			
Local Authority - Special Educational Needs	279,716	279,716	157,790
Local Authority - Early Years	239,450	239,450	159,866
Other Local Authority Grants	170,338	170,338	109,415
	689,504	689,504	427,071
Other funding			
Sport England grant	1,005	1,005	-
Catering income	227,346	227,346	357,664
Other income	66,937	66,937	155,804
	295,288	295,288	513,468
Exceptional Government Funding			
Coronavirus exceptional support	3,092	3,092	-
Coronavirus Job Retention Scheme grant	36,486	36,486	-
	23,347,285	23,347,285	17,537,222

5. Funding for the Multi Academy Trust's educational operations (continued)

The Multi Academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "Exceptional Government Funding".

The funding received for coronavirus exceptional support covers £3K of cleaning costs. These costs are included in note 9 below as appropriate.

The Multi Academy Trust furloughed some of its catering and before and after school club staff under the government's Coronavirus Job Retention Scheme. The funding received of £36K relates to staff costs in respect of 14 staff which are included within note 11 below as appropriate.

6. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Lettings	28,379	-	28,379
Before and after school clubs	83,525	-	83,525
Income from other activities	133,010	7,874	140,884
Total 2020	244,914	7,874	252,788

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Lettings	44,941	-	44,941
Before and after school clubs	99,753	-	99,753
Other recharges	7,598	-	7,598
School support income	45,861	-	45,861
Income from other activities	205,537	27,185	232,722
Total 2019	403,690	27,185	430,875

Notes to the financial statements
For the period ended 31 August 2020

7. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest receivable	6,841	6,841	2,102

8. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
Expenditure on raising funds:				
Direct costs	-	-	447,249	447,249
Educational Operations:				
Direct costs	16,099,175	829,870	1,405,530	18,334,575
Support costs	3,886,647	1,084,648	1,880,473	6,851,768
Teaching school	38,588	-	13,983	52,571
	20,024,410	1,914,518	3,747,235	25,686,163
	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Expenditure on raising funds:				
Direct costs	-	-	887,715	887,715
Educational Operations:				
Direct costs	11,663,872	557,992	1,278,742	13,500,606
Support costs	3,039,014	945,306	1,736,874	5,721,194
Teaching school	40,773	-	21,498	62,271
	14,743,659	1,503,298	3,924,829	20,171,786

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £
Educational Operations	18,334,575	6,851,768	25,186,343

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational Operations	13,500,606	5,721,194	19,221,800

Analysis of direct costs

	Total funds 2020 £	Total funds 2019 £
LGPS finance costs	165,000	129,000
Staff costs	16,099,175	11,663,872
Depreciation	829,870	588,138
Educational supplies	487,035	570,293
Examination fees	345,753	297,007
Technology costs	379,613	196,193
Other costs	28,129	56,103
	18,334,575	13,500,606

Notes to the financial statements
For the period ended 31 August 2020

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	Total funds 2019 £
Staff costs	3,886,647	3,039,014
Depreciation	180,513	104,641
Amortisation	5,531	1,578
Catering	344,766	358,181
Staff development and other staff costs	86,015	72,436
Technology costs	49,504	49,134
Professional fees	56,706	68,998
Travel, subsistence and expenses	16,674	23,016
Other costs	432,006	427,081
Staff related insurance	87,978	132,405
Recruitment and other staff expenses	136,516	105,792
Maintenance of premises	456,749	301,079
Cleaning and caretaking	182,665	175,962
Operating lease rentals	272,983	225,153
Rates	101,076	73,472
Security	-	4,159
Energy	344,158	269,980
Legal costs - conversion	9,055	-
Legal costs - other	6,535	49,750
Transport	50,610	70,735
Other premises costs	145,081	168,628
	6,851,768	5,721,194

Notes to the financial statements
For the period ended 31 August 2020

10. Net income/(expenditure)

Net income/(expenditure) for the period includes:

	2020 £	2019 £
Operating lease rentals	272,983	225,153
Depreciation of tangible fixed assets	1,010,383	692,779
Amortisation of intangible assets	5,531	1,578
Fees paid to auditors for:		
- audit	25,400	22,250
- other services	1,650	1,450
	<u>25,400</u>	<u>22,250</u>
	<u>1,650</u>	<u>1,450</u>

11. Staff

a. Staff costs

Staff costs during the period were as follows:

	2020 £	2019 £
Wages and salaries	14,348,680	11,256,537
Social security costs	1,381,367	1,062,512
Pension costs	4,022,765	2,239,421
	<u>19,752,812</u>	<u>14,558,470</u>
Agency staff costs	243,190	165,955
Staff restructuring costs	28,408	19,234
	<u>20,024,410</u>	<u>14,743,659</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Redundancy payments	-	2,384
Severance payments	28,408	16,850
	<u>28,408</u>	<u>19,234</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £27,000 (2019 - £13,360). Individually, the payments were: £25,000 and £2,000.

11. Staff (continued)

c. Staff numbers

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

	2020 No.	2019 No.
Management	32	27
Teachers	265	215
Admin and support	328	246
	625	488

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	4	2
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	2	1
In the band £160,001 - £170,000	1	1

e. Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Multi Academy Trust was £1,021,634 (2019 - £798,543).

Notes to the financial statements
For the period ended 31 August 2020

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Multi Academy Trust. The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£000	£000
R S Samra, Chief Executive Officer	Remuneration	165 - 170	165 - 170
	Pension contributions paid	35 - 40	25 - 30

During the period, retirement benefits were accruing to 1 Trustee (2019 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2020, expenses totalling £941 were reimbursed to 1 Trustee (2019 - £ Nil).

13. Trustees' and Officers' insurance

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

14. Central services

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

- School improvement
- Finance services
- Administration
- IT services
- Human resources
- Facilities services

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

3% of age weighted pupil unit (AWPU) funding plus lump sum.

The actual amounts charged during the period were as follows:

	2020 £	2019 £
Bilton School	160,344	121,074
Byfield Primary School	13,549	9,831
Southam College	275,742	203,488
Stockton Primary School	14,839	11,376
Southam Primary School	37,364	26,457
Bishops Itchington Primary School	20,992	15,826
Rokeby Primary School	25,277	14,487
Temple Herdewyke Primary School	11,762	5,124
Kineton High School	105,997	-
Total	665,866	407,663

15. Intangible assets

	Computer software £
Cost	
At 1 September 2019	10,664
At 31 August 2020	10,664
Amortisation	
At 1 September 2019	3,514
Charge for the year	5,531
At 31 August 2020	9,045
Net book value	
At 31 August 2020	1,619
At 31 August 2019	7,150

Notes to the financial statements
For the period ended 31 August 2020

16. Tangible fixed assets

	Long-term leasehold land and buildings £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost						
At 1 September 2019 (as previously stated)	38,365,738	1,002,622	380,965	3,800	-	39,753,125
Prior Year Adjustment	1,180,000	-	-	-	-	1,180,000
At 1 September 2019 (as restated)	39,545,738	1,002,622	380,965	3,800	-	40,933,125
Additions	782,807	422,941	112,214	-	2,379,099	3,697,061
Acquired on conversion	15,472,506	-	-	-	-	15,472,506
At 31 August 2020	55,801,051	1,425,563	493,179	3,800	2,379,099	60,102,692
Depreciation						
At 1 September 2019	1,922,246	504,074	224,807	2,138	-	2,653,265
Charge for the period	829,870	101,221	78,342	950	-	1,010,383
At 31 August 2020	2,752,116	605,295	303,149	3,088	-	3,663,648
Net book value						
At 31 August 2020	53,048,935	820,268	190,030	712	2,379,099	56,439,044
At 31 August 2019 (as restated)	37,623,492	498,548	156,158	1,662	-	38,279,860

On 1 April 2017, Northamptonshire County Council granted the Trust a lease for the Byfield School site. The site was not previously included in the financial statements because a professional valuation was not available. Following receipt of a professional valuation in the year, the site has been valued on a depreciated replacement cost basis at £1,180,000, giving rise to the prior year adjustment above.

Notes to the financial statements
For the period ended 31 August 2020

17. Debtors

	2020 £	2019 £
Trade debtors	16,359	36,268
Amounts owed by group undertakings	-	-
VAT recoverable	221,014	186,165
Other debtors	10,101	20,824
Prepayments and accrued income	687,456	672,942
	934,930	916,199

18. Creditors: Amounts falling due within one year

	2020 £	2019 £
Other loans	24,411	21,352
Trade creditors	915,413	700,541
Other taxation and social security	31,672	-
Other creditors	12,732	10,949
Accruals and deferred income	460,965	2,405,393
	1,445,193	3,138,235

	2020 £	2019 £
Deferred income at 1 September 2019	2,243,528	1,525,598
Resources deferred during the period	294,024	2,243,528
Amounts released from previous periods	(2,243,528)	(1,525,598)
	294,024	2,243,528

Included within deferred income are amounts received for educational visits taking place in the following academic year and funding received from the DfE/ESFA in advance of the Autumn 2020 term.

At the balance sheet date, Salix loans totalling £3,933 (2019 - £874) were outstanding and a further amount of £20,478 (2019 - £20,478) is due to the ESFA relating to a debt inherited on conversion.

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £35,649 and disbursed £27,767 from the fund. An amount of £7,882 is included in other creditors relating to undistributed funds.

Notes to the financial statements
For the period ended 31 August 2020

19. Creditors: Amounts falling due after more than one year

	2020	2019
	£	£
Other loans	22,001	23,980

Included within the above are amounts falling due as follows:

	2020	2019
	£	£
Between one and two years		
Other loans	3,933	21,352
Between two and five years		
Other loans	10,930	2,628
Over five years		
Other loans	7,138	-

At the balance sheet date, Salix loans of £22,001 (2019 - £3,502) repayable over 8 years were outstanding and a further amount of £20,478 (2019 - £20,478) is due to the ESFA relating to a debt inherited on conversion.

Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds

	As restated Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Designated funds						
Football Foundation capital fund	36,008	-	-	40,000	-	76,008
General funds						
General Funds	1,473,600	246,127	(62,922)	(40,000)	-	1,616,805
Total Unrestricted funds	1,509,608	246,127	(62,922)	-	-	1,692,813
Restricted general funds						
General Annual Grant (GAG)	-	20,084,522	(19,831,080)	(33,860)	-	219,582
Pupil Premium	-	741,226	(741,226)	-	-	-
Other DfE/ESFA grants	-	1,361,945	(1,361,945)	-	-	-
Other government grants	-	671,538	(671,538)	-	-	-
Other restricted income	28,943	556,242	(554,769)	-	-	30,416
Catering income	-	380,534	(414,394)	33,860	-	-
Community Education	33,678	7,874	(28,141)	-	-	13,411
Teaching School	(11,669)	75,895	(52,571)	-	-	11,655
Pension reserve	(7,219,000)	(1,049,000)	(922,000)	-	(672,000)	(9,862,000)
	(7,168,048)	22,830,776	(24,577,664)	-	(672,000)	(9,586,936)

Stowe Valley Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds (continued)

	As restated Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Transfer on conversion	35,838,976	15,522,413	(871,331)	-	-	50,490,058
DfE/ESFA capital grants	2,550,585	3,743,971	(147,441)	(5,886)	-	6,141,229
Other capital grants and income	233,490	509,688	(4,995)	5,886	-	744,069
Assets purchased from GAG	191,723	-	(21,810)	-	-	169,913
	<u>38,814,774</u>	<u>19,776,072</u>	<u>(1,045,577)</u>	<u>-</u>	<u>-</u>	<u>57,545,269</u>
Total Restricted funds	<u>31,646,726</u>	<u>42,606,848</u>	<u>(25,623,241)</u>	<u>-</u>	<u>(672,000)</u>	<u>47,958,333</u>
Total funds	<u>33,156,334</u>	<u>42,852,975</u>	<u>(25,686,163)</u>	<u>-</u>	<u>(672,000)</u>	<u>49,651,146</u>

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

Designated funds

This fund represents amounts set aside for future repairs to the 3G Football pitches.

Restricted general funds

This fund represents grants and other income received for the Multi Academy Trust's operational activities and development.

Pension reserve

The pension reserve included within restricted general funds represents the Multi Academy Trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset fund

This fund represents grants received from the DfE and ESFA to carry out works of a capital nature and capital expenditure funded from GAG.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	As restated 2019 £
Bilton School	292,554	115,747
Byfield Primary School	66,582	36,934
Southam College	977,916	669,926
Stockton Primary School	19,851	27,142
Southam Primary School	341,249	343,032
Bishops Itchington Primary School	28,073	36,756
Rokeby Primary School	151,125	138,377
Temple Herdewyke Primary School	18,649	15,175
Kineton High School	(19,798)	-
Multi Academy Trust	91,676	177,471
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,967,877	1,560,560
Restricted fixed asset fund	57,545,269	38,814,774
Pension reserve	(9,862,000)	(7,219,000)
	<hr/>	<hr/>
Total	49,651,146	33,156,334
	<hr/>	<hr/>

The Southam College fund balance of £942,696 as at 31 August 2020 includes the Community Education fund balance of £13,411, the Football Foundation capital fund balance of £76,008 and the Teaching School fund balance of £11,655, as detailed earlier in this note.

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

	Deficit £
Kineton High School	(19,798)
	<hr/>

Kineton High School has been in financial difficulty for a number of years. We negotiated with the Local Authority on conversion to write off a debt of £100K which attributed to the revenue deficit on conversion only being £34,645 (see note 27). An in-year deficit budget was set for 2019-20 but financial gains made during the Summer Term due to the partial closure of the school during COVID-19 resulted in a positive in-year position being achieved.

20. Statement of funds (continued)

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

The MAT is working closely with the school to set balanced budgets and ensure ICFP is applied in the planning of future years. There have also been a number of significant positive staffing changes since April 2020 and some costly historical contracts will fall away over the next two years, which will all contribute to the school achieving a surplus position by the end of 2023 at the very latest.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Bilton School	3,381,579	960,759	214,367	803,058	5,359,763
Byfield Primary School	349,644	98,581	11,402	48,398	508,025
Southam College	6,221,616	1,010,747	244,867	1,270,985	8,748,215
Stockton Primary School	333,075	78,188	27,113	87,767	526,143
Southam Primary School	778,834	306,936	59,138	209,011	1,353,919
Bishops Itchington Primary School	500,160	186,508	27,234	105,243	819,145
Rokeby Primary School	818,254	110,860	60,130	177,939	1,167,183
Temple Herdewyke Primary School	307,134	121,268	12,755	82,726	523,883
Kineton High School	3,178,119	698,415	173,354	578,321	4,628,209
Multi Academy Trust	434,348	314,385	2,428	290,134	1,041,295
Multi Academy Trust	16,302,763	3,886,647	832,788	3,653,582	24,675,780

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Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds (continued)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Bilton School	3,281,166	1,060,023	253,557	1,014,805	5,609,551
Byfield Primary School	313,692	61,764	11,345	80,880	467,681
Southam College	5,641,479	1,079,396	335,905	1,863,177	8,919,957
Stockton Primary School	335,472	74,333	10,114	128,091	548,010
Southam Primary School	652,902	280,441	32,110	235,344	1,200,797
Bishops Itchington Primary School	470,794	141,637	13,694	127,812	753,937
Rokeby Primary School	480,756	90,326	15,611	147,745	734,438
Temple Herdewyke Primary School	175,310	76,651	6,715	56,322	314,998
Multi Academy Trust	441,301	174,443	493	313,401	929,638
Multi Academy Trust	11,792,872	3,039,014	679,544	3,967,577	19,479,007

Stowe Valley Multi Academy Trust
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Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds (continued)

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

	As restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2019 £
Unrestricted funds						
Designated funds						
Football Foundation capital fund	40,000	-	(3,992)	-	-	36,008
General funds						
General Funds	1,341,401	602,523	(3,592)	(466,732)	-	1,473,600
Total Unrestricted funds	1,381,401	602,523	(7,584)	(466,732)	-	1,509,608
Restricted general funds						
General Annual Grant (GAG)	-	15,400,086	(15,838,766)	438,680	-	-
Pupil Premium	-	621,284	(621,284)	-	-	-
Other DfE/ESFA grants	-	575,313	(575,313)	-	-	-
Other government grants	-	261,274	(261,274)	-	-	-
Other restricted income	27,309	1,210,950	(1,209,316)	-	-	28,943
Catering income	-	357,664	(358,182)	518	-	-
Community Education	29,393	27,185	(22,900)	-	-	33,678
Teaching School	2,474	48,128	(62,271)	-	-	(11,669)
Pension reserve	(4,219,000)	(418,000)	(440,000)	-	(2,142,000)	(7,219,000)
	(4,159,824)	18,083,884	(19,389,306)	439,198	(2,142,000)	(7,168,048)

Notes to the financial statements
For the period ended 31 August 2020

20. Statement of funds (continued)

	As restated Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 August 2019 £
Restricted fixed asset funds						
Transfer on conversion	33,138,700	3,283,922	(583,646)	-	-	35,838,976
DfE/ESFA capital grants	781,622	1,894,740	(125,777)	-	-	2,550,585
Other capital grants and income	228,225	9,406	(4,141)	-	-	233,490
Assets purchased from GAG	208,108	-	(43,919)	27,534	-	191,723
Capital donations	-	17,413	(17,413)	-	-	-
	<u>34,356,655</u>	<u>5,205,481</u>	<u>(774,896)</u>	<u>27,534</u>	<u>-</u>	<u>38,814,774</u>
Total Restricted funds	<u>30,196,831</u>	<u>23,289,365</u>	<u>(20,164,202)</u>	<u>466,732</u>	<u>(2,142,000)</u>	<u>31,646,726</u>
Total funds	<u>31,578,232</u>	<u>23,891,888</u>	<u>(20,171,786)</u>	<u>-</u>	<u>(2,142,000)</u>	<u>33,156,334</u>

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	56,439,044	56,439,044
Intangible fixed assets	-	-	1,619	1,619
Current assets	1,692,813	1,643,445	1,203,419	4,539,677
Creditors due within one year	-	(1,368,381)	(76,812)	(1,445,193)
Creditors due in more than one year	-	-	(22,001)	(22,001)
Provisions for liabilities and charges	-	(9,862,000)	-	(9,862,000)
Total	<u>1,692,813</u>	<u>(9,586,936)</u>	<u>57,545,269</u>	<u>49,651,146</u>

21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	As restated Restricted fixed asset funds 2019 £	As restated Total funds 2019 £
Tangible fixed assets	-	-	38,279,860	38,279,860
Intangible fixed assets	-	-	7,150	7,150
Current assets	1,509,608	1,216,719	2,524,212	5,250,539
Creditors due within one year	-	(1,141,787)	(1,996,448)	(3,138,235)
Creditors due in more than one year	-	(23,980)	-	(23,980)
Provisions for liabilities and charges	-	(7,219,000)	-	(7,219,000)
Total As restated	1,509,608	(7,168,048)	38,814,774	33,156,334

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

	2020 £	2019 £
Net income for the period (as per Statement of financial activities)	17,166,812	3,720,102
Adjustments for:		
Amortisation	5,531	1,578
Depreciation	1,010,383	692,779
Capital grants from DfE and other capital income	(4,019,940)	(1,921,559)
Interest receivable	(6,841)	(2,102)
Defined benefit pension scheme obligation inherited	1,049,000	418,000
Defined benefit pension scheme cost less contributions payable	757,000	311,000
Defined benefit pension scheme finance cost	165,000	129,000
(Increase)/decrease in debtors	(18,731)	308,904
Decrease in creditors	(1,696,101)	(289,290)
Net gain on assets and liabilities on conversion	(15,469,057)	(3,251,458)
Net cash (used in)/provided by operating activities	(1,056,944)	116,954

Notes to the financial statements
For the period ended 31 August 2020

23. Cash flows from financing activities

	2020 £	2019 £
Cash inflows from new borrowing	24,471	-
Repayments of borrowing	(23,391)	(54,527)
Net cash provided by/(used in) financing activities	1,080	(54,527)

24. Cash flows from investing activities

	2020 £	2019 £
Bank interest received	6,841	2,102
Purchase of tangible fixed assets	(3,700,510)	(1,427,927)
Capital grants from DfE Group	3,611,032	1,894,740
Capital funding received from sponsors and others	408,908	26,819
Net cash provided by investing activities	326,271	495,734

25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	3,604,747	4,334,340
Total cash and cash equivalents	3,604,747	4,334,340

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	New loans £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	4,334,340	(729,593)	-	-	3,604,747
Debt due within 1 year	(21,352)	23,391	(5,097)	(21,353)	(24,411)
Debt due after 1 year	(23,980)	-	(19,374)	21,353	(22,001)
	4,289,008	(706,202)	(24,471)	-	3,558,335

27. Conversion to an academy trust

On 1 September 2019 Kineton High School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Stowe Valley Multi Academy Trust from Warwickshire County Council for £Nil consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	15,469,057	15,469,057
Current assets				
Cash - representing budget (deficit)/surplus on local authority funds	(34,645)	-	53,356	18,711
Current liabilities				
LGPS pension deficit	-	(1,049,000)	-	(1,049,000)
Net (liabilities)/assets	(34,645)	(1,049,000)	15,522,413	14,438,768

The above net assets include £18,711 that was transferred as cash.

28. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Construction of tangible fixed assets	207,551	2,485,338

29. Pension commitments

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

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

Contributions amounting to £Nil were payable to the schemes at 31 August 2020 (2019 - £3,992) and are included within creditors.

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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

29. Pension commitments (continued)

The employer's pension costs paid to TPS in the period amounted to £2,470,000 (2019 - £1,305,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2020 was £990,000 (2019 - £739,000), of which employer's contributions totalled £796,000 (2019 - £587,000) and employees' contributions totalled £194,000 (2019 - £152,000). The agreed contribution rates for future years are 19.8% and 23.7% per cent for employers and 5.5% - 12.5% per cent for employees.

As described in note 27 the LGPS obligation relates to the employees of the Multi Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Multi Academy Trust at the balance sheet date.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.90	2.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.90

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

	2020	2019
	Years	Years
Retiring today		
Males	21.6	21.8
Females	23.8	23.9
Retiring in 20 years		
Males	22.4	23.2
Females	25.3	25.6

Notes to the financial statements
For the period ended 31 August 2020

29. Pension commitments (continued)

Sensitivity analysis

	2020	2019
	£000	£000
Discount rate +0.1%	(496)	(401)
Discount rate -0.1%	496	401
Pension increase rate +0.1%	422	313
Pension increase rate -0.1%	(422)	(313)
Salary increase rate +0.1%	64	79
Salary increase rate -0.1%	(64)	(79)

Share of scheme assets

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

	2020	2019
	£	£
Equities	5,179,000	3,873,000
Bonds	2,139,000	1,640,000
Property	1,118,000	757,000
Cash and other liquid assets	173,000	64,000
Total market value of assets	8,609,000	6,334,000

The actual return on scheme assets was £193,000 (2019 - £368,000).

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

	2020	2019
	£	£
Current service cost	(1,553,000)	(898,000)
Interest income	151,000	153,000
Interest cost	(316,000)	(282,000)
Total amount recognised in the Statement of financial activities	(1,718,000)	(1,027,000)

Notes to the financial statements
For the period ended 31 August 2020

29. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	13,553,000	9,089,000
Conversion of academy trusts	2,184,000	792,000
Current service cost	1,553,000	898,000
Interest cost	316,000	282,000
Employee contributions	194,000	152,000
Actuarial losses	723,000	2,357,000
Benefits paid	(52,000)	(17,000)
At 31 August	18,471,000	13,553,000

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

	2020 £	2019 £
At 1 September	6,334,000	4,870,000
Conversion of academy trusts	1,135,000	374,000
Interest income	151,000	153,000
Actuarial gains	51,000	215,000
Employer contributions	796,000	587,000
Employee contributions	194,000	152,000
Benefits paid	(52,000)	(17,000)
At 31 August	8,609,000	6,334,000

30. Operating lease commitments

At 31 August 2020 the Multi Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	56,947	98,372
Later than 1 year and not later than 5 years	61,337	98,880
	118,284	197,252

Notes to the financial statements
For the period ended 31 August 2020

31. Members' liability

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

32. Related party transactions

No related party transactions took place in either period of account, other than employment remuneration paid to one Trustee as detailed in note 12.

33. Teaching school trading account

	2020 £	2020 £	2019 £	2019 £
Income				
Direct income				
Grant income	75,895		48,128	
Total income		75,895		48,128
Expenditure				
Direct expenditure				
Staff costs	38,588		40,773	
Other direct costs	13,983		21,498	
Total direct expenditure	52,571		62,271	
Total expenditure		52,571		62,271
Surplus/(deficit) from all sources		23,324		(14,143)
Teaching school balances at 1 September 2019		(11,669)		2,474
Teaching school balances at 31 August 2020		11,655		(11,669)