

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	D J Blake MBE J Burge K Haisman BEM P Stanbury-Jones R M Smith S Ash
<b>Trustees</b>	C G Hawkins K Haisman, Chair P K Luxon (appointed 5 February 2020) R A Kelly R J Priestley S Culshaw (appointed 17 February 2020, resigned 2 October 2020) S Goldsmith, Vice Chair
<b>Company registered number</b>	07226557
<b>Company name</b>	Stour Valley Educational Trust Limited
<b>Principal and registered office</b>	Cavendish Road Clare Sudbury Suffolk CO10 8PJ
<b>Independent auditors</b>	Larking Gowen LLP Chartered Accountants 1 Claydon Business Park Great Blakenham Ipswich IP6 0NL
<b>Bankers</b>	Lloyds Bank 30 Market Street Sudbury CO10 2EL
<b>Solicitors</b>	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ
<b>Senior management</b>	R A Kelly - Headteacher (Stour Valley), CEO and Accounting Officer R Loader - Head Teacher (Clare Primary) C Bank - Deputy Head (Stour Valley) K Cullimore - Trust Business Manager

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

The Trust consists of two schools: Stour Valley Community School is a secondary school for pupils age 11-16 with 583 students on roll at the end of the year and Clare Community Primary School, with 196 students on roll.

The principal aim of Stour Valley Educational Trust Limited is to advance, for the public benefit, education in Clare and the surrounding area by establishing, maintaining and operating schools offering a broad curriculum.

**Structure, governance and management**

**a. Constitution**

Stour Valley Educational Trust Limited is a company limited by guarantee with no share capital (registration No. 07226557) and is an exempt charity. It is not required to be registered with the Charity Commission but is, however, subject to the Charity Commissioners' regulatory powers which are monitored by the Secretary of State for Education. The Memorandum and Articles of Association of Stour Valley Educational Trust Limited are the primary governing documents of the Trust.

The Trustees of Stour Valley Educational Trust Limited are also the directors of the charitable company for the purposes of company law.

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

**b. Members' liability**

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

**c. Trustees' indemnities**

There were no Trustee indemnity provisions during the year or at the date of approval of this report.

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

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Trustees**

As and when new Trustees are required for appointment, consideration is made as to the skills needed to augment the effectiveness of the Board. The Trustees are appointed under the terms of Stour Valley Educational Trust Limited's Articles of Association as follows:

- The number of Trustees shall be not less than three
- Up to eight Trustees (excluding staff, parents, LA, ex officio and co-opted)
- A minimum of two Parent Trustees
- The Local Authority (LA) may appoint an LA Trustee
- The Headteacher as CEO Trustee
- Co-opted Trustees

The Trustees have a breadth of skills which are beneficial to the various sub-committees that support the Board of Trustees. The term of office for all Trustees, except the CEO, is four years. The CEO's term of office runs parallel with their contract of employment.

**e. Policies adopted for the induction and training of Trustees**

The training and induction provided for new Trustees will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the Academy Trust, and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and directors of Stour Valley Educational Trust Limited. In addition, the Trust buys in external training programmes. A record of attendance at training sessions is maintained by the Administration Team. As there is normally expected to be only a small number of new Trustees each year induction tends to be done informally and is tailored specifically to the individual.

**f. Organisational structure**

As specified in the Memorandum of Association, Stour Valley Educational Trust Limited is responsible for running Stour Valley Community School and Clare Community Primary School. The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academies by the use of budgets and making major decisions about the direction of the Academies, and senior staff appointments. The Trustees are responsible for the monitoring and performance of the Headteachers and Senior Leadership Team on a regular basis. Since January 2018 each of the schools within the Trust has a dedicated Local Governing Body with powers assigned through a Scheme of Delegation.

The Senior Leadership Team (SLT) of the Academy Trust are the CEO (also Headteacher of Stour Valley Community School) and CFO plus the two Headteachers, two Deputy Head Teachers and two Assistant Headteachers. The Headteacher of Stour Valley Community School is the CEO of the Trust and has line management responsibility for the Headteacher of Clare Primary Community School. These managers control the Academies at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment Boards for posts in the Senior Leadership Team always contain a Trustee. Spending control is contained within the Senior Leadership Team.

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

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**Structure, governance and management (continued)**

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

The Headteachers' performance management targets are set by the Chair of Trustees, or the CEO where appropriate, and the Chair of the relevant Local Governing Body, and are based in part on the School Development and Improvement Plan with additional personal development targets. The targets are reviewed regularly by the Chair of Trustees/CEO. The Headteachers set performance targets for other members of the SLT. All staff in Stour Valley Educational Trust are employed on the terms of the National Pay and Conditions framework. Performance against targets is reviewed for all SLT members within the timelines set down in the framework and salary increases are awarded accordingly, where appropriate. All amendments to key management's pay and remuneration are approved by the appropriate committee and ratified by the Board of Trustees.

**h. Trade Union facility time**

Number of employees who were relevant union officials during the year - 2 (Full-time equivalent employee number - 1.66).

Percentage of time spent on facility time

The schools hosted/participated in six meeting sessions during the course of the year where staff were invited to discuss topics with their union officials and staff representatives – some of these were carried out remotely due to COVID-19 restrictions. It is estimated that the total time spent on union business over the year is between 5-10% during term time. In total this amounts to approximately £4,239 - 8,478 per annum.

**i. Related parties and other connected charities and organisations**

The Trustees are not aware of any connected organisations or related party transactions during the year other than those disclosed in note 28 to the financial statements. The Trust also receives donated goods and gifts from the Clare Community Primary School's Parents, Teachers and Friends Association which are donated for primary school purposes.

**Objectives and activities**

**a. Objects and aims**

The principal objective and activity of Stour Valley Educational Trust Limited is the operation of Stour Valley Community School and Clare Community Primary School to provide education for pupils of different abilities between the ages of 5 to 16.

The wider objective of the Academy Trust is to advance for the public benefit 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 or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 Academies offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provisions for pupils with Special Educational Needs.

In addition to being governed by its Articles of Association, Stour Valley Educational Trust Limited entered into a Funding Agreement on 27 May 2011 with the Secretary of State for Education. Clare Community Primary School

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

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**Objectives and activities (continued)**

was transferred to the Trust under a Funding Agreement dated 28 March 2017. The Funding Agreements specify, amongst other things, the basis for admitting students to the schools, the catchment area from which the students are drawn, and that the broad and balanced curriculum includes English, Mathematics and Science.

**b. Objectives, strategies and activities**

During the year the Trustees met and discussed the vision, mission, and strategic priorities of the Trust. It was agreed to revise the strategic objectives of the Trust in order better to meet the opportunities and challenges of the changing educational landscape. The Trusts' strategies are grouped under the strapline 'Stour Valley Educational Trust, With Community at its Heart'. The revisions are set out below.

**Our Vision**

Stour Valley Educational Trust will provide a secure, stimulating, and inclusive centre of academic excellence in rural education. Central to our vision is the belief in the uniqueness of every student, and that every young person has gifts to discover and share with others.

**Our Mission**

Our mission is to open students' minds to their personal potential and enable them to aspire to brighter academic, professional and vocational futures in our community and beyond. This in turn will lead our students to achieve economic independence with national and international employers or with the growing regionally based industries in Suffolk, Cambridge and Essex.

**Our Strategic Priorities**

**Sustainability**

Sustaining our Trust as a centre of academic excellence in rural education at secondary and primary level is our overarching strategic objective. Academic excellence will be delivered by the schools in our Multi Academy Trust that serve the communities of Clare and surrounding villages, which retain their individual identity and champion the Trust's values, while seeking out and sharing best practice in all aspects of education.

Our sustainability will require our schools to attract consistently high student numbers, to continually manage budgets closely, and to develop new income streams.

**Continuous Improvement**

To further sustain our Trust, we must be better at everything we do! If we are not continually getting better at everything we do then we are either standing still or going backwards. As custodians of our students' futures, we have a duty to deliver the very best in curriculum and teaching and learning strategies supported by effective processes and strong communications.

Continuous development of our staff and the seeking out of best practice in teaching and learning, pastoral care and the well-being of staff and students, will enable us to challenge the content and delivery of our curriculum to ensure that it meets the current and developing needs of all our students. This will require a defined and measurable cycle of continuous improvement across the Trust and will lead to improving levels of student outcomes.

Strong governance by Trustees and Governors will be critical to our success: external and self-assessment of our governance will lead to further trustee/governor training and development.

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

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**Objectives and activities (continued)**

**Inspired learners**

It is our responsibility to develop our students into curious, enquiring and inspired learners who have a true thirst for knowledge which goes well beyond the confines of national examinations and a broad and balanced curriculum. By opening students minds we can engender a love of learning and self-improvement which will enrich their personal and professional lives. Our curriculum and extra-curricular activities must take every opportunity to challenge our students to become inquisitive and inspired learners.

**Community**

The schools in our Trust are rooted in their local community. Our schools are themselves communities. Whether looking inward within our schools or outward into local society, it is our duty as custodians of our young people's futures to ensure that they understand the benefits and responsibilities that come with being in a strong and caring community. There are unwritten rules of mutual respect and understanding, of decency and behaviour, and of mutual support and caring. It is our duty to ensure that students engage in a wide range of activities and are equipped with an understanding of community and civic responsibilities so they can take a full part in their communities now and in later life.

**Collaboration**

We will embrace the opportunities offered by working collaboratively and building partnerships with colleagues in suitable schools, Trusts and other organisations to raise attainment for all young people.

Collaboration will be a vital tool to improve teaching and learning, leadership, the use of data and assessments and to add capacity to our critical school support systems through traded service level agreements.

We will actively seek out partners, ideally those with similar characteristics or ethos to our own, where possible geographically close, and with the same commitment to 'getting better at what we do'.

**c. Public benefit**

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The objective of the Academy Trust is to advance for the public benefit education in Clare and the surrounding area.

Staff and students at both Trust schools regularly engage in community activities in support of local community groups and with local businesses. However, these events have been curtailed this past year due to the impact of COVID.



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

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**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

Major KPIs on which the Trustees receive regular reports include:

- Student numbers
- Expenditure budgets and cash flow
- Student behaviour
- Reports on progress in teaching and learning
- Progress towards school targets

**Stour Valley Community School**

No Public Examinations were taken by students in 2021 following school closure and periods of remote teaching. School staff used their professional judgement to award the full range of teacher assessed grades with high levels of internal moderation and scrutiny to ensure that every grade could be supported with evidence. Results have not been published at a local or national level and Ofsted will not use 2021 results as part of any future judgement made about the school.

The school continued to receive mid-year transfers of students and was successful at attracting students for the 2021/22 academic year. The number of students on roll as at October census 2021 was 587 with the new Year 7 intake being significantly oversubscribed once again. Year 6 Tours once again took place at weekends and evenings during October 2021 and staff considered that this was a crucial aspect of transition to secondary school that should be maintained. Staff volunteered their time over 2 weekends and 4 evenings, with 163 families in total touring the school from 32 different primary schools. Initial indications are that this has positively impacted on applications for 2022.

**Clare Community Primary School**

The school has gained in popularity as a result of a clear vision of excellent standards in the core subjects supported by an emphasis on the creative curriculum, which is already having a positive effect on standards in all areas. This vision is enhanced by an impressive range of extra-curricular activities on offer both at lunchtimes and after school; the introduction of a Breakfast and Afterschool club; and the welcoming, nurturing atmosphere that is evident throughout the school. COVID restrictions have curtailed extra-curricular activities in the past year. Student numbers were stable at 200 at the census in October 2019 and 199 in October 2020. Numbers have dropped a little with 180 students on roll during the October 2021 census.

Due to COVID-19 all 2021 results are via teacher assessment as no national testing was carried out. For this reason there is also no national data for 2020. Caution was used to mark Greater Depth and Writing and Maths due to restricted time in school.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. COVID-19 overview**

Schools in Stour Valley Educational Trust (and everywhere) have been through unprecedented times. Below is a list illustrating some of what we have done above our usual responsibilities in the past year:

- Provided learning in school with complex COVID Risk Assessments and Systems of Control
- Provided online lessons
- Provided laptops and ICT equipment for students without access to these at home
- Provided meals over holiday and lockdown periods for FSM students
- Made PPE for the NHS and local care homes
- Been a Public Health Information provider
- Been a Test and Trace service
- Been a Mental health and well-being hub
- Been a Lateral Flow Test Centre
- Been a pick-up points for LFTs
- Been GCSE Examiners
- Been GCSE Moderators
- Been Exam Appeals Centres
- Been a COVID vaccination venue

**Remote education**

At Clare Primary during the full lockdown of Spring 2021, they produced weekly newsletters, Zoom meetings, quizzes, competitions, set work, gave feedback on work and many also attended school to teach keyworkers' children. CCPS staff delivered a combination of Zoom and pre-recorded videos. Staff worked a week in school and a week teaching from home.

Stour Valley staff delivered the full school timetable remotely from January 5th. The staff were simply amazing in upskilling themselves with the intricacies of Teams and students impressed their teachers with their prompt arrival to lessons, willingness to engage and general enthusiasm for learning. It was the first time SVCS delivered lessons wholly in this way and it was a great success. We are very pleased that the summer 2019 overhaul of the ICT infrastructure had taken place to enable effective remote education services. Student attendance and engagement in online lessons was outstanding. The largest number of children that ever got a call home to chase for not logging onto their lessons on any given day was 15, and for most of the lockdown period the number hovered around just 5 students. There was a real sense of us all being in this together – staff, students and parents. Many parents sent emails to thank us for our excellent provision. When school closure was first announced, we compiled a list of students who either have a social worker, EHCP or who our knowledge of their domestic situation means we would also consider them as falling within the 'vulnerable' category. These students were all then extended an invitation to attend school as well as the children of key workers.

**Laptop Loans**

Stour Valley Community School was proactive in the Autumn term and before the Christmas holidays ensuring that all students knew their login details and how to access Teams through PSHE lessons and by asking staff, mainly tutors, to find out whether there were students without access to IT at home. We did not collect back in the laptops loaned out in the summer and we have significantly added to that number this Spring Term. We knew which students would need to borrow laptops and these were ready to be collected from school on January 5th.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

Total loans of laptops: 109; total number of laptops secured from DfE and loaned out: 40; total number of wireless routers (some DfE and some bought) given out: 5 + some BT hotspot vouchers to provide better internet access.

**Lateral Flow Testing**

When Stour Valley students returned in March, we had set up an on-site LFT centre. Overall consent for testing was over 97%. This is an indication of how supportive and 'on board' our parents are - reassuring for us all in these times. We had 12 fully trained volunteers with a core team of 4. The test centre was reopened in September 2021 for students' return to school.

Our Stour Valley Educational Trust community has pulled together and remained strong throughout the crisis. The headteachers communicate transparently and regularly with the parent body and this has built trust and provided reassurance.

**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 they continue 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.

**Financial review**

**a. Financial review**

Stour Valley Educational Trust Limited's accounting period is from 1 September 2020 to 31 August 2021. Most of the Academy Trust's income was obtained from the Education Funding Agency (EFA), an executive arm of the Department for Education (DfE), in the form of General Annual Grant (GAG) which is the per capita funding required to run the school and deliver the curriculum. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

As central government funding has become tighter and not kept pace with wage inflation it has been necessary to implement still tighter controls over internal cost centres, to keep all expenditure within allocated budgets and seek efficiencies. Unless government funding improves, Trustees are aware that similar challenges will be faced in future years. The Trustees have continued to maintain the curriculum to meet the needs of all ability levels of our student population.

The in-year surplus for the Trust, being the change in restricted funds (excluding pension reserves) plus unrestricted funds, was £92,712.

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

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**b. Reserves policy**

The Trustees review the reserve levels monthly. The review takes into account the nature of the income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep the level of reserves under review.

The Trustees have agreed to aspire to a level of reserves equivalent to one month's expenditure which equates to £375,000. The Academy Trust currently holds £202,518 of unrestricted reserves and £123,591 of restricted general funds. With the exceptional circumstances experienced in education over the past 18 months due to Covid-19, resulting in extended periods of home remote learning, some spending has not been made in line with budget expectation, and this has led to higher than expected in-year surpluses and inflated reserves. It is our intention to review our Reserves Policy and in future our aspiration is to align it with our strategic plan.

As at 31 August 2021, the Trust held total funds of £7,505,347, of which £7,302,829 was restricted funds, including fixed assets which were carried at £8,155,990.

Restricted funds include a pension fund deficit of £1,238,000. A surplus or deficit position would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employers' pension contributions over a period of years.

**c. Principal risks and uncertainties**

**Financial and Risk Management Objectives and Policies**

The Trustees have assessed the major risks to which the trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust. The Trustees have implemented a number of systems to assess risks that the trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls, in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The School has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

The school has a comprehensive set of policies covering inter alia the teaching of the curriculum, the management of school facilities and operational procedures. These policies were reviewed by the relevant committees in the year under review.

**Risk Management**

During the year the Trustees continued to develop their comprehensive risk management procedures for the Academy Trust. These help to identify and monitor the risks faced by the Academy Trust. The key risk areas identified for inclusion are Strategy, Governance, Skills, Health and Safety including Covid risks, Safeguarding, IT, Business continuity and Financial Reporting and Management related. A point scoring mechanism has been put in place with a greater emphasis directed towards those areas identified as being higher risk.

**d. Investment policy**

The Investment policy has been approved by the Resources Committee. Surplus funds may only be invested in cash deposits with the leading High Street banks for periods which deliver the best financial returns to the Academy Trust while ensuring that the Trust has access to sufficient liquidity to meet all financial obligations when due.

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

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**Fundraising**

The Trust only undertakes fundraising through non-uniform days and other small events such as cake sales and Summer and Christmas Fetes which are organised internally or by the Parent Teachers and Friends Association. These events raise vital additional funds for the academy schools within the Trust. The Trust does not use any professional fundraisers or commercial participators. The Trust understands its responsibilities to protect the public, including vulnerable people, from reasonably intrusive or persistent approaches and undue pressure to donate. All fundraising is undertaken in a fun and friendly environment.

**Plans for future periods**

The Academy Trust is concentrating its efforts on delivering the best possible educational experience to all students. The planned strategy review led by the CEO was held in Spring 2021 and the agreed strategic objectives are set out in this report.

**Funds held as custodian on behalf of others**

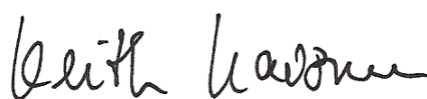
The Academy Trust does not hold any funds as Custodian Trustee.

**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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2021 and signed on its behalf by:



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**K Haisman**  
Chair of Trustees

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Stour Valley Educational Trust Limited 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 CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Stour Valley Educational Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report. The board of Trustees has formally met 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
C G Hawkins	3	3
K Haisman, Chair	3	3
P K Luxon	3	3
R A Kelly	3	3
R J Priestley	3	3
S Culshaw	3	3
S Goldsmith, Vice Chair	3	3

The composition of the Board of Trustees during the 2020/21 period included sub-committees of a Resources Committee, dealing specifically with MAT finance, human resources and premises issues, an Audit Committee, dealing with oversight of regularity and control, a Pay committee which dealt solely with pay progression and salary percentage increases, and a Local Governing Body for each individual school.

The Trustees reflected on issues faced during the year using a variety of means, including:

- The framework for Trustees under the Academies Financial Handbook which outlines their responsibilities
- Use of Governor Hub to plan, implement and disseminate information to all Trustees
- Training for trustees and heads – using both internal and external providers
- Review of the Trust's business plan
- Updating of the risk register regularly

In addition to the ongoing reviews as mentioned above Trustees also considered:

- Vision, ethos and strategy
- Governance structures
- Trustee Board effectiveness and conduct
- Engagement
- Effective accountability of the executive leadership
- Impact on outcomes for pupils

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

In order to assess and review these areas, Trustee meetings through year were provided with a wide variety of source information including data and improvement reports for each individual school which identify strengths and weaknesses at local levels. Financial management reports taken directly from the management information system, FMS, ensured up to date information was received in a timely manner at each meeting, and these reports were posted on a monthly basis onto Governor Hub so that Trustees – including the Chair of Trustees and the Chair of the Trust Resources Committee – could review them in-between meetings. Internal audit reports, risk assessments and analysis data from external sources were all used to aid the Trustees in assessing the effectiveness of their governance and progress of the Trust. The Trustees appointed School Business Services to carry out two Internal Audit reviews during the financial year, one in February and the other in August.

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to agree local budgets, monitor and approve financial and operational standards.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Goldsmith, Chair	3	3
C G Hawkins	3	3
R A Kelly	3	3
R J Priestley	3	3
P K Luxon	3	3

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide internal scrutiny to ensure that financial controls and risk management procedures are robust and effective.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C G Hawkins	3	3
S Goldsmith	3	3
R A Kelly	3	3
P K Luxon	3	3
R J Priestley	3	3

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Pay Committee is also a sub-committee of the main Board of Trustees. Its purpose is to agree pay progression and salary incremental increases.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R J Priestley, Chair	2	2
S Goldsmith	2	2
K Haisman	2	2
R A Kelly	2	2

The Trust recognises the importance of strong governance and has embarked on an internal review process of all tiers of governance. In line with national interpretation of the accountability framework, work has been undertaken to construct a robust local governing body within each academy school which links directly to the Trust Board and via its sub-committees. Full Terms of Reference for all tiers of governance have been introduced. This restructure also includes the introduction of an Audit Committee, sitting within the Resources Committee, in compliance with the 2020 Academies Financial Handbook.

The Chair of Trustees currently engages in the national governance arena and his access to current thinking through the Confederation of School Trusts and the NGA has influenced the strategic governance and accountability decisions within the Trust.

The Trust Board membership encompasses significant experience of working in governance in both the education and business environment, and has been selected with a range of specific skills in mind, covering finance, audit & accountancy, business management, building surveyance and previous educational leadership.

The Academies Accounts Direction requires Trusts, where the Board has met less than six times during the year, to include a statement on the maintenance of effective oversight. All Trustees receive monthly summary and full financial reports for each school comprising:

Current Budget,  
Actuals to Date,  
Commitments,  
Total Actuals + Commitments  
Income or Expenditure Remaining to Meet Budget  
Forecast Year End Actual Position  
% Received or Spent to Date  
Expected % Year to Date  
Comments

The Chair of Trustees and the Chair of the Resources Committee review the reports monthly with the Trust Business Manager and agree any actions necessary.

The Risk Assessments are reviewed in each school by the CEO who reports changes to Trustees on an exception basis.

The focus for Trust Board development in the next academic year is on:

- Continued communication with and training of Trustees and LGBs to ensure that all tiers of governance carry out their roles and responsibilities effectively and efficiently. The recently launched range of training programmes from the Confederation of School Trusts may prove beneficial.



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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

- Encouraging Trustees and Governors to extend their networks to other trusts and sector bodies

**Review of value for money**

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

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- long term contracts being regularly reviewed and compared against other providers, in order to achieve the best price without compromising quality;
- reviewing the audit provision with a full tender process every 5 years – the last tender was undertaken in 2019 which resulted in a better and more robust service being secured;
- using economies of scale available as a Multi-Academy Trust with purchases of print, broadband and IT equipment, for example;
- undertaking a review of external services we are currently purchasing to look at opportunities to secure better, more cost effective provision e.g. payroll and contract management.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Stour Valley Educational Trust Limited for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of Trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance and General Purposes Committee of reports which indicate financial

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

- performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
  - clearly defined purchasing (asset purchase or capital investment) guidelines
  - delegation of authority and segregation of duties
  - identification and management of risks

The Board of Trustees has decided to employ School Business Services as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included governance, payroll, purchases, income, and the accounting system.

The internal audit reports are submitted twice a year to the Audit Committee which sits within the Trust Resources Committee in line with the Academies Financial Handbook. The internal auditor also prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. There were no significant findings in the year under review.

**Review of effectiveness**

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


- the work of the internal auditor or reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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



.....  
**K Haisman**  
Chair of Trustees  
Date: 15 December 2021



.....  
**R A Kelly**  
Accounting Officer

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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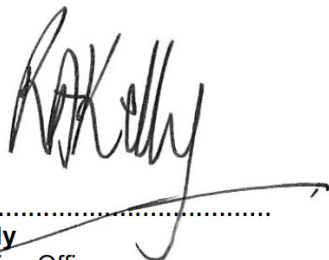
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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



.....  
**R A Kelly**  
Accounting Officer  
Date: 15 December 2021

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 15 December 2021 and signed on its behalf by:



.....  
**K Haisman**

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR  
VALLEY EDUCATIONAL TRUST LIMITED**

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### **Opinion**

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

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR  
VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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**Other information**

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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**Responsibilities of trustees**

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

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

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

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

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

Due to the field in which the Company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with tax legislation, accounting standards and requirements, including Charities SORP (FRS 102) and the Academies Accounts Direction 2020 to 2021, the Companies Act 2006 and charity law. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the Company's ability to operate, including Academies Financial Handbook 2020, funding agreements, safeguarding requirements, health and safety; employment law, data protection and compliance with various other regulations relevant to the conduct of the Company's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management, the accounting officer and the trustees about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, safeguarding breaches, data breaches, potential litigation or claims and fraud;
- Considering the conclusion of our assurance report on regularity to the Company and the Education and Skills Funding Agency;
- Reviewing the Accounting Officers Statement on Regularity, Propriety and Compliance;
- Review the findings of the Company's internal scrutiny;
- Reviewing legal and professional fees to confirm matters where the Company engaged lawyers during the year;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board and finance committee minutes and any relevant correspondence with external authorities, including regulators;
- Challenging assumptions and judgements made by management in their significant accounting estimates,

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR  
VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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particularly around the actuarial assumptions used to estimate the Local Government Pension Scheme defined benefit obligation; and

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

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

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

**Use of our report**

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



**Giles Kerkham FCA DChA (Senior statutory auditor)**

**for and on behalf of  
Larking Gowen LLP**

Chartered Accountants  
Statutory Auditors

Ipswich

Date: 20 December 2021



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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOUR  
VALLEY EDUCATIONAL TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 10 May 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stour Valley Educational Trust Limited during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Stour Valley Educational Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Stour Valley Educational Trust Limited's funding agreement with the Secretary of State for Education dated December 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2019 to 2020 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Governors
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOUR  
VALLEY EDUCATIONAL TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

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- Observation and re-performance of the financial controls
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks

**Conclusion**

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

*Larking Gowen*

**Giles Kerkham FCA DChA (Senior statutory auditor)**

**for and on behalf of**  
**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors

Date: 20 December 2021

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	150	679	557,160	557,989	23,190
Other trading activities		22,304	65,027	-	87,331	114,598
Investments	6	61	-	-	61	254
Charitable activities		431	4,373,133	-	4,373,564	4,015,825
<b>Total income</b>		<b>22,946</b>	<b>4,438,839</b>	<b>557,160</b>	<b>5,018,945</b>	<b>4,153,867</b>
<b>Expenditure on:</b>						
Charitable activities		13,687	4,489,535	522,880	5,026,102	4,524,872
<b>Total expenditure</b>		<b>13,687</b>	<b>4,489,535</b>	<b>522,880</b>	<b>5,026,102</b>	<b>4,524,872</b>
<b>Net income/(expenditure)</b>		<b>9,259</b>	<b>(50,696)</b>	<b>34,280</b>	<b>(7,157)</b>	<b>(371,005)</b>
Transfers between funds	18	(28,851)	-	28,851	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(19,592)</b>	<b>(50,696)</b>	<b>63,131</b>	<b>(7,157)</b>	<b>(371,005)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(317,000)	-	(317,000)	(31,000)
<b>Net movement in funds</b>		<b>(19,592)</b>	<b>(367,696)</b>	<b>63,131</b>	<b>(324,157)</b>	<b>(402,005)</b>

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	222,110	(746,713)	8,354,107	7,829,504	8,231,509
Net movement in funds	(19,592)	(367,696)	63,131	(324,157)	(402,005)
<b>Total funds carried forward</b>	<b>202,518</b>	<b>(1,114,409)</b>	<b>8,417,238</b>	<b>7,505,347</b>	<b>7,829,504</b>

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

The notes on pages 30 to 61 form part of these financial statements.

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07226557**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	14	2,250	-
Tangible assets	15	8,153,740	8,353,189
		<u>8,155,990</u>	<u>8,353,189</u>
<b>Current assets</b>			
Debtors	16	386,536	69,239
Cash at bank and in hand		635,515	303,679
		<u>1,022,051</u>	<u>372,918</u>
Creditors: amounts falling due within one year	17	(434,694)	(138,603)
<b>Net current assets</b>		<u>587,357</u>	<u>234,315</u>
<b>Total assets less current liabilities</b>		<u>8,743,347</u>	<u>8,587,504</u>
<b>Net assets excluding pension liability</b>		<u>8,743,347</u>	<u>8,587,504</u>
Defined benefit pension scheme liability	25	(1,238,000)	(758,000)
<b>Total net assets</b>		<u><u>7,505,347</u></u>	<u><u>7,829,504</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	8,417,238	8,354,107
Restricted income funds	18	123,591	11,287
		<u>8,540,829</u>	<u>8,365,394</u>
Restricted funds excluding pension asset	18	8,540,829	8,365,394
Pension reserve	18	(1,238,000)	(758,000)
<b>Total restricted funds</b>	18	<u>7,302,829</u>	<u>7,607,394</u>
<b>Unrestricted income funds</b>	18	<u>202,518</u>	<u>222,110</u>
<b>Total funds</b>		<u><u>7,505,347</u></u>	<u><u>7,829,504</u></u>

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07226557**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 25 to 61 were approved and authorised for issue by the Trustees and are



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**K Haisman**  
Chair of Trustees  
Date: 15 December 2021

The notes on pages 30 to 61 form part of these financial statements.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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	<b>Note</b>	<b>2021</b> £	<b>2020</b> £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	20	<b>(196,534)</b>	(42,588)
<b>Cash flows from investing activities</b>	21	<b>528,370</b>	(2,975)
<b>Change in cash and cash equivalents in the year</b>		<b>331,836</b>	(45,563)
Cash and cash equivalents at the beginning of the year		<b>303,679</b>	349,242
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<u><b>635,515</b></u>	<u>303,679</u>

The notes on pages 30 to 61 form part of these financial statements

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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

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**1. Accounting policies**

Stour Valley Educational Trust Limited is a company limited by guarantee incorporated in England, registration number 07226557. The registered office is Cavendish Road, Clare, Sudbury, Suffolk, CO10 8PJ.

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

**1.1 Basis of preparation of financial statements**

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

Stour Valley Educational Trust Limited meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

**1.2 Going concern**

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



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

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

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

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

**1.7 Intangible assets**

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	- 3 years
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

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

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

Depreciation is provided on the following bases:

Leasehold land and buildings	- 50 / 51 years straight line
Furniture, fixtures & equipment	- 3-10 years straight line
Computer equipment	- 3 years straight line

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

**1.9 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.

**1.10 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.

**1.11 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 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.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.12 Provisions**

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

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

**1.13 Operating leases**

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

**1.14 Financial instruments**

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

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**1. Accounting policies (continued)**

**1.15 Pensions**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.16 Fund accounting**

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

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

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

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

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

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

Critical accounting estimates and assumptions:

The Academy Trust trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Donations	150	679	-	<b>829</b>
Capital grants	-	-	557,160	<b>557,160</b>
	<u>150</u>	<u>679</u>	<u>557,160</u>	<u><b>557,989</b></u>

	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	3,490	-	3,490
Capital grants	-	19,700	19,700
	<u>3,490</u>	<u>19,700</u>	<u>23,190</u>

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**4. Funding for the academy's educational operations**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	3,759,384	<b>3,759,384</b>
Other DfE/ESFA grants			
UIFSM	-	20,922	<b>20,922</b>
Pupil Premium	-	160,994	<b>160,994</b>
Other DfEESFA grants	-	219,628	<b>219,628</b>
	-	4,160,928	<b>4,160,928</b>
<b>Other Government grants</b>			
Local authority grants	-	66,033	<b>66,033</b>
	-	66,033	<b>66,033</b>
<b>Other income from the Academy Trust's educational operations</b>	431	44,098	<b>44,529</b>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up Premium	-	56,220	<b>56,220</b>
Other DfE/ESFA Covid-19 funding	-	45,854	<b>45,854</b>
	-	102,074	<b>102,074</b>
	431	4,373,133	<b>4,373,564</b>

The Trust received £56,220 of funding for Covid-19 catch up premium and costs incurred totalled £49,080, with the remaining £7,140 to be spent in 2021/2022.

The Trust received £45,854 of other Covid-19 funding for cleaning and to enable social distancing requirements with costs incurred of £45,854.

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**4. Funding for the academy's educational operations (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	3,497,680	3,497,680
Other DfE/ESFA grants			
UIFSM	-	31,251	31,251
Pupil Premium	-	161,220	161,220
Other DfE/ESFA grants	-	244,112	244,112
	<hr/>	<hr/>	<hr/>
	-	3,934,263	3,934,263
<b>Other Government grants</b>			
Local authority grants	-	43,935	43,935
	<hr/>	<hr/>	<hr/>
	-	43,935	43,935
<b>Other income from the Academy Trust's direct costs - activities (activity 1)</b>	6,477	14,495	20,972
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Other DfE/ESFA Covid-19 funding	-	16,655	16,655
	<hr/>	<hr/>	<hr/>
	-	16,655	16,655
	<hr/>	<hr/>	<hr/>
	<u>6,477</u>	<u>4,009,348</u>	<u>4,015,825</u>

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

The funding received per Covid-19 funding covers £16,655 of costs incurred for additional resources required as a result of the Covid-19 pandemic, such as cleaning and home working supplies.



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**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Hire of facilities	1,363	9,364	<b>10,727</b>
Department income	-	10,621	<b>10,621</b>
Solar PV income	4,256	-	<b>4,256</b>
Production income	668	1,118	<b>1,786</b>
Other income	1,785	37,098	<b>38,883</b>
Transport	14,187	-	<b>14,187</b>
General income	45	6,826	<b>6,871</b>
	<u>22,304</u>	<u>65,027</u>	<u><b>87,331</b></u>
	<u><u>22,304</u></u>	<u><u>65,027</u></u>	<u><u><b>87,331</b></u></u>
	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Hire of facilities	9,086	-	9,086
Department income	-	9,857	9,857
Solar PV income	3,374	-	3,374
Production income	(2,488)	-	(2,488)
Music fees	20	-	20
Other income	37,907	-	37,907
Insurance income	14,163	-	14,163
Transport	42,151	-	42,151
Uniform	528	-	528
	<u>104,741</u>	<u>9,857</u>	<u>114,598</u>
	<u><u>104,741</u></u>	<u><u>9,857</u></u>	<u><u>114,598</u></u>

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**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Short term deposits	61	<b>61</b>
	<u>61</u>	<u>61</u>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Short term deposits	254	254
	<u>254</u>	<u>254</u>

**7. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>
Academy Trust's educational operations				
Direct costs	3,186,674	-	411,028	<b>3,597,702</b>
Allocated support costs	354,517	190,752	883,131	<b>1,428,400</b>
	<u>3,541,191</u>	<u>190,752</u>	<u>1,294,159</u>	<u><b>5,026,102</b></u>
	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Academy Trust's educational operations				
Direct costs	3,114,574	-	307,286	3,421,860
Allocated support costs	330,620	150,723	621,669	1,103,012
	<u>3,445,194</u>	<u>150,723</u>	<u>928,955</u>	<u>4,524,872</u>

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**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Educational operations	3,597,702	1,428,400	<b>5,026,102</b>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Educational operations	3,421,860	1,103,012	4,524,872

**Analysis of support costs**

	<b>Activities 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	354,517	<b>354,517</b>
Depreciation and amortisation	226,050	<b>226,050</b>
Premises costs	424,723	<b>424,723</b>
Other support costs	410,505	<b>410,505</b>
Governance costs	12,605	<b>12,605</b>
	<u>1,428,400</u>	<u><b>1,428,400</b></u>

Governance costs comprise audit and accountancy fees incurred in the year.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Activities</i> 2020 £	<i>Total</i> <i>funds</i> 2020 £
Staff costs	330,620	330,620
Depreciation and amortisation	236,697	236,697
Premises costs	150,723	150,723
Other support costs	369,912	369,912
Governance costs	15,060	15,060
	<u>1,103,012</u>	<u>1,103,012</u>

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021</b> £	<b>2020</b> £
Operating lease rentals	<b>23,232</b>	20,238
Depreciation of tangible fixed assets	<b>225,870</b>	236,085
Amortisation of intangible assets	<b>450</b>	612
Fees paid to auditors for:		
- audit	<b>9,025</b>	8,750
- other services	<b>5,175</b>	5,050
	<u><b>9,675</b></u>	<u>14,837</u>

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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	2,510,599	2,536,638
Social security costs	268,777	252,747
Pension costs	761,815	655,809
	<u>3,541,191</u>	<u>3,445,194</u>

**b. Staff numbers**

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

	2021 No.	2020 No.
Teachers	45	43
Administration and support	45	46
Management	7	7
	<u>97</u>	<u>96</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	40	40
Administration and support	36	34
Management	7	7
	<u>83</u>	<u>81</u>

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**10. Staff (continued)**

**c. Higher paid staff**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>2</b>	<i>1</i>
In the band £70,001 - £80,000	<b>1</b>	<i>1</i>
	<b>3</b>	<i>2</i>

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £468,543 (2020 £465,822).

**11. Central services**

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

- Executive leadership
- Financial administration services (Hub finance support, outsourced payroll service)
- HR services (employee contract administration, wellbeing and employee relations including legal and professional services)
- Centralised ICT support
- Centralised GDPR support
- Centralised Site Management and Caretaking

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

The proportion of time spent at each school has been calculated and staffing costs, including all on-costs, have been charged accordingly.

The actual amounts charged during the year were as follows:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Stour Valley Community School	<b>194,193</b>	<i>125,562</i>
Clare Community Primary School	<b>43,558</b>	<i>37,032</i>
<b>Total</b>	<b>237,751</b>	<i>162,594</i>

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**12. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
R A Kelly	Remuneration	<b>75,000 -</b>	<b>70,000 -</b>
		<b>80,000</b>	<b>75,000</b>
	Pension contributions paid	<b>15,000 -</b>	<b>15,000 -</b>
		<b>20,000</b>	<b>20,000</b>

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to any Trustee (2020 - £Nil to Trustee).

**13. Trustees' and Officers' insurance**

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

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**14. Intangible assets**

	<b>Computer software £</b>
<b>Cost</b>	
At 1 September 2020	2,200
Additions	2,700
At 31 August 2021	<u>4,900</u>
<b>Amortisation</b>	
At 1 September 2020	2,200
Charge for the year	450
At 31 August 2021	<u>2,650</u>
<b>Net book value</b>	
At 31 August 2021	<u><u>2,250</u></u>
<i>At 31 August 2020</i>	<u><u>-</u></u>



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**15. Tangible fixed assets**

	Leasehold land and buildings £	Furniture, fixtures & equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	9,241,844	249,392	514,516	10,005,752
Additions	-	18,626	7,525	26,151
At 31 August 2021	<u>9,241,844</u>	<u>268,018</u>	<u>522,041</u>	<u>10,031,903</u>
<b>Depreciation</b>				
At 1 September 2020	1,002,013	165,888	484,662	1,652,563
Charge for the year	183,878	26,683	15,039	225,600
At 31 August 2021	<u>1,185,891</u>	<u>192,571</u>	<u>499,701</u>	<u>1,878,163</u>
<b>Net book value</b>				
At 31 August 2021	<u>8,055,953</u>	<u>75,447</u>	<u>22,340</u>	<u>8,153,740</u>
At 31 August 2020	<u>8,239,831</u>	<u>83,504</u>	<u>29,854</u>	<u>8,353,189</u>

**16. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	1,080	-
Other debtors	11,628	4,062
Prepayments and accrued income	373,828	65,177
	<u>386,536</u>	<u>69,239</u>

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

	2021 £	2020 £
Trade creditors	45,859	1,693
Other taxation and social security	68,874	62,712
Accruals and deferred income	319,961	74,198
	<u>434,694</u>	<u>138,603</u>
	2021 £	2020 £
Deferred income at 1 September 2020	41,888	14,576
Resources deferred during the year	37,749	41,888
Amounts released from previous periods	(41,888)	(14,576)
	<u>37,749</u>	<u>41,888</u>

At the balance sheet date the academy trust was holding funds received in advance in regard to the Universal Infant Free School Meals funding which was paid during the financial year, but related to grant allocations for the 2021/22 financial year. Deferred income also includes rates relief income, which was received in advance of the 2021/22 year to which it relates.

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**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds	222,110	22,946	(13,687)	(28,851)	-	202,518
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	3,759,384	(3,669,336)	-	-	90,048
Other DfE/ESFA Grants	8,877	401,783	(406,667)	-	-	3,993
Other grants	2,410	175,598	(159,039)	-	-	18,969
Covid-19 support	-	102,074	(91,493)	-	-	10,581
Pension reserve	(758,000)	-	(163,000)	-	(317,000)	(1,238,000)
	(746,713)	4,438,839	(4,489,535)	-	(317,000)	(1,114,409)
<b>Restricted fixed asset funds</b>						
Donations	4,296	-	(1,615)	-	-	2,681
Dfe/ESFA Capital Grants	37,264	20,302	(30,533)	-	-	27,033
GAG funded assets	56,742	-	(21,339)	-	-	35,403
Assets purchased from grants	8,389	-	(3,155)	-	-	5,234
Gifted assets on conversion	8,239,833	-	(183,878)	-	-	8,055,955
Assets purchased from unrestricted funds	7,583	-	(2,852)	28,851	-	33,582
CIF Capital Grants	-	536,858	(279,508)	-	-	257,350
	8,354,107	557,160	(522,880)	28,851	-	8,417,238

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Total Restricted funds</b>	<b>7,607,394</b>	<b>4,995,999</b>	<b>(5,012,415)</b>	<b>28,851</b>	<b>(317,000)</b>	<b>7,302,829</b>
<b>Total funds</b>	<b>7,829,504</b>	<b>5,018,945</b>	<b>(5,026,102)</b>	<b>-</b>	<b>(317,000)</b>	<b>7,505,347</b>

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

The General Annual Grant (GAG) is used for the normal running costs of the Academy Trust.

Other ESFA grants are various specific grants provided to the Academy Trust from the ESFA.

Other restricted grants includes SEN funding.

A transfer of £28,851 (2020: £7,583) was made from unrestricted general funds to restricted fixed asset funds in respect of assets purchased.

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

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

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>						
General Funds	223,373	62,844	(56,524)	(7,583)	-	222,110
Transport fund	-	42,151	(42,151)	-	-	-
Trips fund	9,756	6,477	(16,233)	-	-	-
	<u>233,129</u>	<u>111,472</u>	<u>(114,908)</u>	<u>(7,583)</u>	<u>-</u>	<u>222,110</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	4,972	3,497,680	(3,502,652)	-	-	-
Other DfE/ESFA Grants	17,023	436,583	(444,729)	-	-	8,877
Other grants	3,864	71,777	(73,231)	-	-	2,410
Covid-19 support	-	16,655	(16,655)	-	-	-
Pension reserve	(591,000)	-	(136,000)	-	(31,000)	(758,000)
	<u>(565,141)</u>	<u>4,022,695</u>	<u>(4,173,267)</u>	<u>-</u>	<u>(31,000)</u>	<u>(746,713)</u>
<b>Restricted fixed asset funds</b>						
Donations	6,904	-	(2,608)	-	-	4,296
Dfe/ESFA Capital Grants	28,229	19,700	(10,665)	-	-	37,264
GAG funded assets	91,195	-	(34,453)	-	-	56,742
Assets purchased from grants	13,483	-	(5,094)	-	-	8,389
Gifted assets on conversion	8,423,710	-	(183,877)	-	-	8,239,833
Assets purchased from unrestricted funds	-	-	-	7,583	-	7,583

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
	8,563,521	19,700	(236,697)	7,583	-	8,354,107
<b>Total Restricted funds</b>	7,998,380	4,042,395	(4,409,964)	7,583	(31,000)	7,607,394
<b>Total funds</b>	8,231,509	4,153,867	(4,524,872)	-	(31,000)	7,829,504

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

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Stour Valley Community School	281,325	195,611
Clare Community Primary School	44,784	37,786
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	326,109	233,397
Restricted fixed asset fund	8,417,238	8,354,107
Pension reserve	(1,238,000)	(758,000)
	<hr/>	<hr/>
<b>Total</b>	<b>7,505,347</b>	<b>7,829,504</b>
	<hr/> <hr/>	<hr/> <hr/>

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Stour Valley Community School	2,445,727	329,283	301,428	710,380	3,786,818
Clare Community Primary School	652,047	115,367	95,600	150,220	1,013,234
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Academy Trust</b>	<b>3,097,774</b>	<b>444,650</b>	<b>397,028</b>	<b>860,600</b>	<b>4,800,052</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Stour Valley Community School	2,382,092	324,355	207,086	388,654	3,302,187
Clare Community Primary School	642,913	95,834	88,200	159,041	985,988

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

	<i>Teaching and educational support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<b>Total 2020</b> £
<b>Academy Trust</b>	<u>3,025,005</u>	<u>420,189</u>	<u>295,286</u>	<u>547,695</u>	<u>4,288,175</u>



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

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

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	8,153,740	<b>8,153,740</b>
Intangible fixed assets	-	-	2,250	<b>2,250</b>
Current assets	202,518	300,077	519,456	<b>1,022,051</b>
Creditors due within one year	-	(176,486)	(258,208)	<b>(434,694)</b>
Provisions for liabilities and charges	-	(1,238,000)	-	<b>(1,238,000)</b>
<b>Total</b>	<b>202,518</b>	<b>(1,114,409)</b>	<b>8,417,238</b>	<b>7,505,347</b>

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

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	8,353,189	8,353,189
Current assets	222,110	149,890	918	372,918
Creditors due within one year	-	(138,603)	-	(138,603)
Provisions for liabilities and charges	-	(758,000)	-	(758,000)
<b>Total</b>	<b>222,110</b>	<b>(746,713)</b>	<b>8,354,107</b>	<b>7,829,504</b>

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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	2021 £	2020 £
Net expenditure for the year (as per statement of financial activities)	<b>(7,157)</b>	(371,005)
<b>Adjustments for:</b>		
Amortisation	450	612
Depreciation	225,600	236,085
Capital grants from DfE and other capital income	(557,160)	(19,700)
Interest receivable	(61)	(254)
Defined benefit pension scheme cost less contributions payable	149,000	124,000
Defined benefit pension scheme finance cost	14,000	12,000
(Increase)/decrease in debtors	(317,297)	2,198
Increase/(decrease) in creditors	296,091	(26,524)
<b>Net cash used in operating activities</b>	<b>(196,534)</b>	(42,588)

**21. Cash flows from investing activities**

	2021 £	2020 £
Dividends, interest and rents from investments	61	254
Purchase of fixed assets	(28,851)	(22,929)
Capital grants from DfE Group	557,160	19,700
<b>Net cash provided by/(used in) investing activities</b>	<b>528,370</b>	(2,975)

**22. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	635,515	303,679
<b>Total cash and cash equivalents</b>	<b>635,515</b>	303,679

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

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	303,679	331,836	635,515
	<u>303,679</u>	<u>331,836</u>	<u>635,515</u>

**24. Capital commitments**

	2021 £	2020 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u>314,667</u>	<u>-</u>

**25. Pension commitments**

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

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

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

**Teachers' Pension Scheme**

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

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

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**25. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £668,792 (2020 - £653,129).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £173,000 (2020 - £169,000), of which employer's contributions totalled £136,000 (2020 - £135,000) and employees' contributions totalled £ 37,000 (2020 - £34,000). The agreed contribution rates for future years are 23 per cent for employers and variable per cent for employees.

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

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

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**25. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2021</b>	<i>2020</i>
	%	%
Rate of increase in salaries	<b>3.6</b>	2.9
Rate of increase for pensions in payment/inflation	<b>2.9</b>	2.2
Discount rate for scheme liabilities	<b>1.7</b>	1.7
Inflation assumption (CPI)	<b>2.9</b>	2.2

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

	<b>2021</b>	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	<b>22.1</b>	21.9
Females	<b>24.5</b>	24.1
<i>Retiring in 20 years</i>		
Males	<b>23.2</b>	22.7
Females	<b>26.4</b>	25.6

**Sensitivity analysis**

	<b>2021</b>	<i>2020</i>
	£000	£000
Discount rate +0.1%	<b>87</b>	66
Discount rate -0.1%	<b>(87)</b>	(66)
Mortality assumption - 1 year increase	<b>135</b>	97
Mortality assumption - 1 year decrease	<b>(135)</b>	(97)
CPI rate +0.1%	<b>82</b>	3
CPI rate -0.1%	<b>(82)</b>	(3)

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**25. Pension commitments (continued)**

**Share of scheme assets**

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

	2021 £	2020 £
Equities	1,407,000	988,000
Debt instruments	533,000	435,000
Property	149,000	151,000
Cash and other liquid assets	43,000	100,000
<b>Total market value of assets</b>	<b>2,132,000</b>	<b>1,674,000</b>

The actual return on scheme assets was £360,000 (2020 - £167,000).

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

	2021 £	2020 £
Current service cost	(285,000)	(250,000)
Past service cost	-	(9,000)
Interest income	30,000	31,000
Interest cost	(44,000)	(43,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(299,000)</b>	<b>(271,000)</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>2,432,000</b>	<b>2,127,000</b>
Current service cost	285,000	250,000
Interest cost	44,000	43,000
Employee contributions	37,000	34,000
Actuarial losses/(gains)	583,000	(16,000)
Benefits paid	(11,000)	(15,000)
Past service costs	-	9,000
<b>At 31 August</b>	<b>3,370,000</b>	<b>2,432,000</b>

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**25. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	<b>1,674,000</b>	<b>1,536,000</b>
Interest income	30,000	31,000
Actuarial gains/(losses)	266,000	(47,000)
Employer contributions	136,000	135,000
Employee contributions	37,000	34,000
Benefits paid	(11,000)	(15,000)
<b>At 31 August</b>	<b>2,132,000</b>	<b>1,674,000</b>

**26. Operating lease commitments**

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

	2021 £	2020 £
Not later than 1 year	26,775	23,688
Later than 1 year and not later than 5 years	69,049	61,728
Later than 5 years	57,001	64,126
	<b>152,825</b>	<b>149,542</b>

**27. Members' liability**

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

**28. Related party transactions**

No related party transactions took place in the period of account, other than certain trustees' remuneration already described in note 12.