

Kernow Learning Multi Academy Trust

Formerly known as The Learning Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2020

Company Registration number: 7394649 (England and Wales)



Kernow Learning Multi Academy Trust

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Kernow Learning Multi Academy Trust

Reference and Administrative Details

Members

M Hurry
K Crosse
T Lamb (resigned 1 June 2020)
A Basi
S Kendall (appointed 1 September 2019)
L Devine (appointed 1 August 2020)
The Diocese of Truro (Represented by Katie Fitzsimmonds)

Trustees (Directors)

K Crosse (Chair of Board of Trustees)
P Mason (Vice Chair of Board of Trustees) (appointed 1 September 2019)
J Walker (CEO) (appointed 1 September 2019)
S Tym
P Wyatt (died 11 November 2020)
D Glynn (appointed 1 September 2019)
T Ovenden-Hope (appointed 1 September 2019)
M Smith (appointed 1 September 2019)
H Sykes (appointed 1 September 2019)
D Parker (appointed 11 September 2020)

Paul Wyatt was a valued and skilled member of the Board of Trustees, we are saddened at his loss and will miss his wise counsel.

Accounting Officer and Chief Executive Officer

J Walker (from 1 September 2019)

Deputy Chief Executive Officer

Clare Ridehalgh (Operations)
Clare Crowle (Academic)

Senior Leadership of St. Newlyn East Learning Academy

K Pitcher, Executive Headteacher
H Bearn, Head of School to July 2020

Senior Leadership at Trenance Learning Academy

C Crowle, Executive Headteacher
P Waters, Head of School

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

Senior Leadership at Foxhole Learning Academy

M Oakley, Headteacher

Senior Leadership at Falmouth Primary Academy

C Smith, Executive Headteacher / Hub Lead

H Bennett, Co Head

Senior Leadership at The Bishops' CEVA Learning Academy

A Richards, Headteacher

Senior Leadership at St. Merryn Primary School

K Pitcher, Executive Headteacher / Hub Lead

A Brook, Head of School

Senior Leadership at Trevisker Primary School

K Pitcher, Executive Headteacher / Hub Lead

C Thorpe, Head of School

Senior Leadership at Constantine Primary School

C Smith, Executive Headteacher / Hub Lead

C Gilbert, Head of School

Senior Leadership at Mabe Primary School

J Jenkin, Headteacher

Senior Leadership at Leedstown Primary School

N Neale, Headteacher

Senior Leadership at St Columb Minor ACE Academy

N Cotterill, Executive Headteacher / Hub Lead

K King, Co Head

Senior Leadership at Upton Cross ACE Academy

E Goodey, Headteacher

Senior Leadership at St Columb Major ACE Academy

M Taylor, Headteacher (Maternity leave from February to July 2020)

A Watkins, (Maternity cover February to July 2020)

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

Senior Leadership at Beacon ACE Academy

K Haywood, Headteacher / Hub Lead

K Davis, Co Head

Senior Leadership at St Agnes ACE Academy

J Mills, Headteacher

Senior Leadership at St Kew ACE Academy

N Cotterill, Executive Headteacher / Hub Lead

R Murray, Head of School

Senior Leadership at Charlestown Primary School

M Clutsom, Headteacher

Company Secretary C Ridehalgh

Company 7394649
Registration Number

Registered Office Trenance Road
Newquay
Cornwall
TR7 2LU

Bankers Lloyds Bank
234 Highstreet
Exeter
EX4 3NL

Solicitors Browne Jacobson
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

Independent Auditors PKF Francis Clark
Statutory Auditor
North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020

The Trustees of Kernow Learning Multi Academy Trust (Kernow Learning) present their annual report, together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020.

The Annual Report serves the purpose of both a Trustees Report and a Directors Report under Company Law.

Following the merger with The Atlantic Centre of Excellence Multi Academy Trust on 1 September 2019, during the financial year 2019/20 the Multi Academy Trust operated seventeen primary schools for pupils aged 3 to 11 across Cornwall. During the financial year the Trust's roll was 3,938 based on school census on 3 October 2019, which included 20 ARB places and 74 Nursery aged pupils. In addition, the Trust also operated two Governor-led Pre-Schools which have a combined FTE capacity of 25 children who are not on the roll of the academy in which they operate.

Structure, governance and management

Constitution

Kernow Learning Multi Academy Trust (Kernow Learning) is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust.

The Trustees of Kernow Learning are also the Directors of the charitable company for the purposes of company law.

(As of 1 September 2019, Kernow Learning Multi Academy Trust and The Atlantic Centre of Excellence Multi Academy Trust merged. The Multi Academy Trust prior to 23 July 2019 was known as The Learning Academy Trust (TLAT) and prior to 26 February 2016 was known as Trenance Learning Academy Trust, it also made itself known as The Trenance Learning Academy Trust and TLAT.)

Details of the Trustees who served throughout the period except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

The Multi Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Multi Academy Trust also purchased and maintained liability insurance for its Trustees to cover the liability, which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Multi Academy Trust. The Trust also purchased additional professional insurance to indemnify the CEO whilst carrying out their duties as an OFSTED Inspector.

Method of recruitment and appointment or election of Trustees

Trustees are appointed subject to the articles of association and subject to remaining eligible, any person may be reappointed or re-elected.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Policies and procedures adopted for the induction and training of Trustees

Kernow Learning has an induction programme for Trustees and Local Advisory Board Members (LAB) supported by mentoring from experienced Trustees/LAB members. An annual skills audit and termly evaluation of Governance takes place at Trustee and Local Advisory Board level which includes a training needs analysis and the results of this aid any CPD (Continuing Professional Development) planning. All new Local Advisory Board Members attend a compulsory induction training session within the first term of having been appointed to a Local Advisory Board.

Organisational structure

In accordance with the Funding Agreement with the Education Funding Agency, an agency for the Department for Education, the Trustees of Kernow Learning are responsible for ensuring that high standard of corporate governance are maintained. They exercise their powers and functions with a view to fulfilling a strategic leadership role in the running of the schools. The Board of Trustees have established a Scheme of Delegation for Local Advisory Boards of each academy to assist with the discharge of their responsibilities.

The Chief Executive Officer (CEO) is the Multi Academy Trust's Accounting Officer and with the support of the Senior Leadership Team of the Multi Academy Trust, is responsible for day to day management, the operation of the curriculum and executing any strategic decisions taken by the Board of Trustees, Local Advisory Boards and sub committees. The CEO of Kernow Learning oversees the work of the Executive Headteachers and Headteachers within each Academy. The CEO, aided by the Multi Academy Trust's Chief Operating Officer and each School's Senior Leadership Team, controls the schools at an executive level implementing the policies laid down by the Trustees and reporting back to them.

Trustees have a responsibility for determining, monitoring and keeping under review, the policies, plans and procedures within which the Multi Academy Trust operates. The Board of Trustees, are responsible for ensuring that the relevant statutory documents are delivered to Companies House in a timely manner, administering the Multi Academy Trust's finances and applying the income and property only for the purposes set out in the Governing Documents and participating in Trustees meetings. The Board of Trustees act within their powers as set out in the Company's Articles and in their capacity as Trustees of the Multi Academy Trust, under Charity law, accept ultimate responsibility for directing the affairs of the Multi Academy Trust ensuring that it is solvent, well-run and delivering the charitable outcomes for the benefit of the public for which it has been set up.

The Board of Trustees met 9 times during the 19/20 Academic year. 5 of these were planned trustees meeting and 4 were extraordinary meetings. Due to the Covid-19 pandemic the Board of Trustees passed an Exceptional Circumstances Scheme of Delegation (also called Chairs Action) by resolution at the board meeting of Trustees on 27 March 2020, this included an amendment to the Financial Procedures manual for exceptional circumstances, and suspension of the LABs' scheme of delegation. The Finance and Audit Committee met as a full committee twice and there was a further meeting between the Chair of the Finance and Audit Committee, the Chair of Trustees and officers of the Trust in July 2020 under Chairs Action. The Standards and Curriculum Committee met 3 times. During July, the Board of Trustees actioned two task and finish groups.

Arrangements for setting pay and remuneration of key management personnel

Kernow Learning recognise that we are accountable to our beneficiaries, stakeholders, employees and the public and are committed to raising transparency and accountability. We have a duty to deliver our services effectively and maximise use of our resources and to do this we need to attract and retain suitably qualified people with the right skills, knowledge and experience.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Kernow Learning directly employ teachers and other allied professional support staff to work in our schools. We are required to comply with the requirements of our funding agreement and the terms of the Academies Act of 2010. Kernow Learning have a whole school pay policy which sets out the framework for making decisions on employees' pay. It has been developed to comply with current legislation, the requirements of the School Teachers' Pay and Conditions Document (STPCD) the National Joint Council for Local Government Services and in accordance with the principles of public life – objectivity, openness and accountability.

When setting salaries, we take into account the knowledge, skills, and experience needed for the job and market forces affecting recruitment. We benchmark against available information such as comparable roles being advertised and benchmark against a range of our peers.

Trade union facility time

Relevant union officials

There were no (0) employees who were relevant union officials during the relevant period

Percentage of time spent on facility time

0% of time was spent on facility time during the relevant period

Percentage of pay bill spent on facility time

0% of the pay bill was spent on facility time during the relevant period

Paid trade union activities

There were no paid trade union activities during the relevant period

Related Parties and other Connected Charities and Organisations

Kernow Learning is a strategic partner within the Kernow Teaching School Alliance (KTSA) and Trenance Learning Academy is a designated teaching school. Partners in the KTSA are:

CELT - Cornwall Education and Learning Trust, (Newquay Education Trust up to 1 November 2020 when they merged with CELT), and Wave Academy Trust

Engagement with employees (including disabled persons)

During the financial year 2019/20 the Trustees of Kernow Learning formed a joint negotiation and consultation committee for the Trust which met twice virtually (reduced number and pace due to the Covid-19 pandemic)

The purpose of the JNCN was to introduce, maintain and develop arrangements aimed at:

- providing employees with information on matters of concern to them;
- consulting employees and their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests;
- encouraging the involvement of employees in the Trust's performance;
- achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

The Trust's policy of applications for the employment of disabled persons is covered within our Recruitment Policy and the treatment of employees who become disabled and their training, career development and promotion is covered in our equality and diversity policy.

During the year we have consulted employees on the Trust's Pay Policy, Performance Management, Covid-19 addendum to policies, Covid-19 risk assessments and staff handbooks. We wrote to all employees to explain the reason for the consultation and invited comments from recognised unions. The Leadership Team reviewed all comments and decided to accept or not; if any comments were not accepted they provided a rationale and then the final document was issued.

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

Kernow Learning has continued to build relationships with key suppliers. In response to the Covid-19 pandemic we continued to pay our suppliers to ensure that they remained organisationally operative. We worked closely with our suppliers both local and national to develop transition plans to support recovery and transition from Covid -19 Lockdown. We paid supplier invoices as quickly as possible to protect their cash flow.

Staff were able to participate in a wellbeing survey as part of the Trust's Wellbeing Strategy in February 2020. The usual stakeholder surveys were delayed by Covid-19 and the closure of schools. Kernow Learning Trustees then engaged with the Edurio Covid-19 Impact Review in June 2020, to survey staff, parents and pupils and to ensure that stakeholders were given an opportunity to express their views.

Prior to the closure of schools, pupil voice was heard directly through the individual site school councils and pupil surveys, however, the plans for a Trust wide pupil forum were put on hold due to school closure.

In addition, virtual staff meeting were held at all school sites and 2 virtual Joint Negotiation and Consultation Committee meetings took place with staff and their elected representatives.

Objectives and activities

Objects and aims

The purpose of Kernow Learning is to educate individual children to their full potential and prepare them to be responsible citizens. All schools operated by Kernow Learning are inclusive schools and our facilities ensure access for all. The whole emphasis is on providing quality experiences leading to quality learning.

The main activity of Kernow Learning during the financial year 2019/20 was the operation of Beacon ACE Academy, Charlestown Primary School, Constantine Primary School, Falmouth Primary Academy, Foxhole Learning Academy, Leedstown Primary School, Mabe Primary School, St Agnes ACE Academy St Columb Minor ACE Academy, St Columb Major ACE Academy, St Kew ACE Academy, St Merryn Primary School, St Newlyn East Learning Academy, The Bishops C of E Learning Academy, Trenance Learning Academy, Trevisker Primary School and Upton Cross ACE Academy in a collaborative way.

We believe that through collaboration there will be:

- greater opportunities and outcomes for children;
- enhanced training opportunities for staff, leading to better educational provision;
- staff who are trained well enough to leave but who want to stay, to create a stable trust with succession built in at all levels;

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

- clear career paths for all from children to senior leaders;
- maximised investment in the teaching and learning of children;
- schools that are supported / developed / challenged through well-defined systems and a knowledgeable central team (includes Trustees);
- unique schools that understand and meet the needs of their individual communities through their curriculum offer, bespoke approach and knowledge of families;
- a trust that has the best possible reputation locally, regionally and nationally.

In order to achieve our vision, we have the following mission statement:

- Our children and their families are at the centre of what we do; empowered to learn and achieve; valued within their communities as visible, resilient, active and responsible citizens.
Our employees are passionate about being the best that they can be; providing opportunities for enriched learning through a genuinely broad and balanced curriculum and building pathways to independence.
- Our Trust is relentlessly focused on improvement; we value and celebrate success and build partnerships to develop excellent provision.

Objective, strategies and activities

Kernow Learning has the strategic intent to build a Multi Academy Trust of well-matched, successful and ultimately outstanding schools, operating in meaningful geographical hubs. These schools will provide quality experiences leading to quality learning resulting in good and outstanding education for all pupils. Each site builds respectful and strong links within their local community, meets the challenges of their particular context and ensures that all pupils make better than expected levels of progress as a result of consistently excellent teaching.

Kernow Learning is determined to be the best Multi Academy Trust in the South West - to deliver excellent education through local hubs of schools, utilising local knowledge and resources alongside the educational expertise, knowledge and understanding of the professional community charged with education delivery.

We have created clusters of schools, which work collaboratively to support improvement and promote a range of opportunities for pupils and staff. Pupils have access to enhanced experiences and opportunities through the Trust community focused hubs.

The curriculum in our schools is bold, ambitious, exciting and inclusive, making learning irresistible for all. It is rooted in the communities that our schools are proud to serve and capitalises on the knowledge, skills and diversity they offer. We are committed to a curriculum which enables children to flourish in and positively shape the rapidly changing global village they will inhabit.

Beacon ACE Academy

Beacon ACE Academy is a mixed gender academy providing Foundation Stage (including Nursery), Key Stage One and Key Stage Two education for 3-11 year olds in the Bodmin and surrounding area. The current number on roll is 425 including 30 nursery children. The Academy also has a 10 place Area Resource Base. The school was inspected by Ofsted in May 2019 and was rated as Good in all areas. Ofsted noted, "The school is improving rapidly. The Headteacher has raised the expectations of staff and pupils alike. Under her leadership, the school community is united in its drive to improve the life chances of its pupils." During the Covid-19 pandemic national lock down this school provided essential childcare for its own community and other schools.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Charlestown Primary School

Charlestown Primary School is a mixed gender academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in the Charlestown and surrounding area. Charlestown is a growing 2FE Primary School. It is on track to complete transition from 1FE to 2FE fully in 2020/21. During the academic year 19/20 the number on roll was 374. Key Stage 2 attainment and progress at Charlestown is significantly above average in Reading, Writing and Maths. There have also been significant improvements in all subject areas in Key Stage 1 and the Early Years since the appointment of the Headteacher.

The school was inspected by Ofsted in January 2019 and was rated Good in all areas. During the Covid-19 pandemic national lock down this school provided essential childcare for its own community and other schools, including some pupils outside of the trust.

St Agnes ACE Academy

St Agnes ACE Academy is a mixed gender academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in the St Agnes and surrounding area. It is a growing 2FE Primary School. It is on track to complete transition from 1FE to 2FE fully in 2021/22. During the academic year 19/20 the number on roll was 333. The academy was inspected by Ofsted in February 2018 and retained its Good judgement in all areas. The Headteacher continues to set an aspirational tone which is having a positive effect within the school and wider community. During the Covid-19 pandemic national lock down this school provided essential childcare to high numbers of children whose parents were key workers working for the local health service.

St Columb Major Academy

St Columb Major is a mixed gender academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in the St Columb Major and surrounding area. St Columb Major is a 2FE Primary School. During the academic year 19/20 the number on roll was 373. St Columb Major was inspected in January 2019 and was judged to 'Require Improvement' in some areas. There is now a culture of high expectations which has been readily adopted by the school workforce. A consistent and stable staffing team has enabled the Headteacher and Senior Leaders to drive forward school improvement at a rapid and sustainable level.

Trenance Learning Academy

Trenance Learning Academy is a mixed gender academy providing Foundation Stage and Key Stage 1 education for 4-7 year olds in Newquay and the surrounding area. During the academic year 19/20 the number on roll was 374. In-year operational capacity changes were made in prior years to meet local demand for school places, raising the number of pupils in Y2 from 120 to 145. There were 117 pupils in YF, 112 in Y1 and 145 in Y2. For the academic year 20/21 the school did not make a further operational change maintaining the PAN at 120 and hence has had a fall in pupil numbers. Trenance Learning Academy is categorised as Outstanding by Ofsted and is a designated Teaching School and the Kernow English Hub. During the Covid-19 pandemic national lock down this school provided essential childcare for its own community and other schools.

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Trustees' Report for the Year Ended 31 August 2020 (continued)

Falmouth Primary Academy

Falmouth Primary Academy is a mixed gender academy providing Foundation Stage (including Nursery), Key Stage One and Key Stage Two education for 3-11 year olds in the Falmouth and surrounding area. The Academy also has an Area Resource Base, which is a dedicated unit for children with complex learning needs. During the academic year 19/20 the number on roll was 279 including 10 nursery children. Ofsted categorise the school as good with outstanding early years and personal development, behaviour and welfare. Ofsted states: The Executive Headteacher leads the school with determination and ambition. She is rightly proud of its many successes and the improvements in the quality of education. During the Covid-19 pandemic national lock down this school provided essential childcare for its own community and other schools.

Foxhole Learning Academy

Foxhole Learning Academy is a mixed gender academy providing Primary Education for 4-11 year olds in Foxhole and the surrounding area. The Academy can provide education for 120 pupils. Foxhole has a higher than average mobility across the school. During the academic year 19/20 the number on roll was 93. Following an Inspection in September 2018 Ofsted categorised the school as Good, the previous judgement having been Requires Improvement. Ofsted's report states: Leaders have worked successfully to improve the standard of education at the school. As a result, current pupils are making good progress and achieving well.

St. Newlyn East Learning Academy

St. Newlyn East Learning Academy is a mixed gender academy providing Foundation Stage, Key Stage One and Key Stage Two education for children between the ages of 4-11. During the academic year 19/20 the number on roll was 192. Ofsted judged the school as Good 2019 and stated: The Executive Headteacher and Head of School are passionate about enabling pupils to discover, explore and learn in a caring environment.

The Bishops C of E Learning Academy

The Bishops C of E Learning Academy is a mixed gender academy providing Foundation Stage (including Nursery), Key Stage One and Key Stage Two education for 3-11 year olds in the Newquay Area. During the academic year 19/20 the number on roll was 380 including 17 nursery children. The Bishops school was judged as Good in 2019 and inspectors stated: The leadership team has maintained the good quality of education since the last inspection.

Constantine Primary School

Constantine Primary school is a mixed gender academy providing Primary Education for 4-11 year olds in Constantine and the surrounding area. During the academic year 19/20 the number on roll was 174. Constantine was judged as Good by Ofsted following its inspection in June 2019 and the report states: The pupils clearly enjoy attending Constantine Primary and are very proud of their school.

Leedstown CP School

Leedstown CP School is a mixed gender academy providing Primary Education for 3-11 year olds in Leedstown and the surrounding area. Leedstown is the smallest school in Kernow Learning. Leedstown was inspected by Ofsted in October 2019 and was judged as Good. During the academic year 19/20 the number on roll was 63 including 5 nursery children.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Mabe Primary School

Mabe School is a mixed gender academy providing Primary Education for ages 3-11 in Mabe and the surrounding area. During the academic year 19/20 the number on roll was 174 including 22 nursery children. Mabe was inspected in June 2019 (whilst still part of TLAT) and was judged as inadequate because safeguarding was not judged to be effective. The school and trust responded immediately to the concerns with a rapid response action plan. An internal Kernow Learning Audit of Safeguarding (September 2019) and an external audit by the Local Authority (January 2020) found that safeguarding was now effective. Kernow Learning continues to support and monitor closely safeguarding at the school. Mabe Primary School was inspected as a Section 8 monitoring visit in March 2020. This was not a visit at which a new judgement could be made, but Mabe was judged as making satisfactory progress since the last inspection.

St Merryn School

St Merryn School is a mixed gender academy providing Foundation Stage, Key Stage one and Key Stage Two education for 3-11 year olds in the St Merryn Area. During the academic year 19/20 the number on roll was 156 including 20 Nursery children. St Merryn School continues to be judged Good by Ofsted with inspectors praising the school for the wide range opportunities that it provides for its pupils.

Trevisker Primary School

Trevisker Primary School is a mixed gender school providing Primary Education for 4-11 years old in Trevisker and the surrounding area. During the academic year 19/20 the number on roll was 194. Trevisker school was inspected in May 2019 and continues to be judged as Good. The report praises leadership for nurturing a strong and reflective staff team who are all equally passionate about putting children at the heart of their decision making.

St Columb Minor Academy

St Columb Minor is a mixed gender academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in the St Columb Minor, and surrounding area. St Columb Minor is a 3FE Primary School. During the academic year 19/20 the number on roll was 592. St Columb Minor Academy is the largest school within Kernow Learning. In November 2018 the school was inspected by Ofsted who found that the school had maintained its Good rating in all areas. Inspectors noted that "Leaders at all levels have a good understanding of the school's strengths and weaknesses. You provide the trust and governors with thorough and accurate evaluation of what the school does well and what it needs to prioritise next". During the Covid-19 pandemic national lock down this school provided essential childcare for its own community and other schools.

St Kew ACE Academy

St Kew ACE Academy is a mixed gender school providing Primary Education for 4-11 years old in St Kew and the surrounding area. During the academic year 19/20 the number on roll was 89. St Kew also operates a 10 place Governor led Pre-school. The school has worked with the Eden Project and students from the Eden Project Learning to develop its approach to Learning Outside the Classroom and to create plans to transform the outdoor learning environment. The development of the outside space began during 19/20 and is due for completion in 20/21. St Kew ACE Academy was inspected by Ofsted in a Section 8 inspection. The school was judged as Good in all areas.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Upton Cross ACE Academy

Upton Cross ACE Academy is a mixed gender school providing Primary Education for 4-11 years old in Upton Cross and the surrounding area. During the academic year 19/20 the number on roll was 98. Upton Cross operates four mixed age classes and also operates a 15 place Governor led Pre-school. Upton Cross continues to be a very popular school that is oversubscribed in many year groups. Upton Cross ACE Academy was inspected by Ofsted in March 2019. Upton Cross was judged as Good in all areas.

During 2019/20 Kernow Learning and its Trustees provided rigorous and effective school improvement and financial stability to all of their schools to enable them to continue to provide the very best education in the communities that they serve. Our promise is to continue to do our very best to give each and every pupil the opportunity to reach their full potential. Kernow Learning provides support to all schools in the Multi Academy Trust with the aim of improving pupil attainment through:

- focusing on the development of the whole child by involving pupils, parents and staff in a supportive, aspirational, challenging and caring environment
- ensuring rapid improvement and promoting best practice through a shared approach to continued professional development (CPD)
- positively promoting and nurturing the spiritual, social, cultural and moral development of all pupils;
- improving provision and outcomes
- continually evaluating, reviewing and where necessary revising the curriculum and structure to enhance the effectiveness of Kernow Learning
- raising the achievement and attainment of all pupils by a relentless improvement in the standard of education provided in all our schools
- developing a variety of strategies to encourage our pupils to be confident and effective lifelong learners

Kernow Learning provides efficient, effective and coordinated business support to:

- drive down the costs of these services for each school and add value to the services they could access individually
- ensure more of the budget is focussed on direct teaching and learning costs
- comply with all legislative, statutory and commercial requirements in terms of curriculum and operational matters

The trustees operate Kernow Learning in accordance with the Nolan principles of Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty and Leadership.

Public Benefit

The Multi Academy Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. The key public benefit delivered by the Multi Academy Trust is the provision of an outstanding education for its pupils.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Achievements and performance

Due to the national directives in light of the Covid-19 pandemic, there were no statutory assessments or checks taken in the Summer of 2020. This means that there is no school level or national educational performance data for 2020.

The period 1 September 2019 to 31 August 2020 was Kernow Learning's first year of operation following the merger of TLAT and ACE on 1st September 2019.

Key Achievements during the 19/20 financial year include:

- Creation of the hub structure - this is being underpinned by research work being undertaken by Marjon and Plymouth Universities

West Hub	Mid Hub	North Hub	East Hub
Constantine Primary School	St Kew ACE Academy	St Merryn School	Beacon Ace Academy
Leedstown Primary School	St Agnes Academy	St Newlyn East Learning Academy	Charlestown Primary School
Mabe School	St Columb Major Academy	The Bishops' C of E Learning Academy	Foxhole Learning Academy
Falmouth Primary Academy	St Columb Minor Academy	Trevisker Primary School	Sky Primary (New Free School)
	Trenance Learning Academy		Upton Cross ACE Academy

- Appointment of all senior executive leads
- Due diligence undertaken remotely to enable 2 new schools to join Kernow Learning West Hub (King Charles CE School / St Francis CE of School) from September 2020
- Development of the Safeguarding team, policy, practice
- Successful restructure of our central team
- Whole trust agreement of Vision and Values
- Development of IT communication and storage system
- Launch of Well Being and OEL strategies
- Development of consistent approaches to HR, Finance, Estates, Administration, IT and Marketing
- Successful roll out of Covid-19 'safe school' strategy involving the closure of 11 school sites, transference of educational provision to 6 sites, the reopening of 11 schools and welcoming back of wider age groups. This process including mass training of staff and full guidance on risk assessments and Covid-19 safe procedures for all schools.
- 4 successful Ofsted inspections at Leedstown, Upton Cross, St Kew and Mabe.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Ofsted and Current Self-Assessment				
Last Ofsted Grade	Inadequate (IA)	Requires Improvement (RI)	Good (G)	Outstanding (OS)
No. schools at each grade	1 out of 17 Mabe	1 out of 17 St Columb Major	14 out of 17	1 out of 17 Trenance
Current Assessment:	IA	RI	G	OS
Overall SEF grade	1/17	1/17	14/17	1/17
Quality of Education	1/17	2/17	13/17	1/17
Behaviour and Attitudes	0/17	2/17	14/17	1/17
Personal Development	0/17	1/17	15/17	1/17
Leadership and Management	1/17	1/17	14/17	1/17

Covid-19

A significant amount of leadership time has been devoted to the successful and consistent implementation of Trust's Covid-19 response including partial closures and on-line provision for pupils.

Using the Microsoft 'teams' system, we held regular meetings for Headteachers, Open Site Coordinators, Extended Leadership Team and Safeguarding Leads.

During the school closure period we wrote additional risk assessments and provided training to staff to safely operate on our school sites; introduced a free school meal voucher system; wrote addendums to our safeguarding policy, behaviour policy, complaints policy and introduced a bereavement policy with training support.

The Trustees agreed an Emergency Scheme of Delegation to allow effective trust level decision making.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Open Site Schools from 30th March 2020 – 1st June 2020				
Open Sites providing Essential Childcare and remote Learning for all Pupils	Sites closed for access providing remote learning for all pupils			
Beacon	Upton Cross			
Charlestown	Foxhole			
Falmouth	Constantine	Leedstown	Mabe	
St Agnes				
St C Minor	St C Major	St Kew	St Merryn	Trevisker
Trenance	SNE	The Bishops		
Open Sites were selected by reference to the vulnerability of the population, numbers of pupils attending in the first week, location and the experience of potential 'open site' coordinators. St Agnes was included due to the high numbers of critical key workers living in this village				

All Kernow Learning Schools reopened on 1st June 2020, initially this was for children of key workers and vulnerable pupils and on 15th June to those year groups prioritised in Government guidance. Throughout the period remote learning was provided to those children not attending a school site. To enable the safe reopening of schools further risk assessment and training was provided to all staff.

The Trustees of Kernow Learning participated in the Edurio Covid-19 Impact Review. Surveys for staff, families and pupils were carried out across Kernow Learning. Overall, the results based on the key questions used to measure the perception of each stakeholder group are in line with the UK primary school benchmark.

Staff views on their school's arrangements for remote learning were very positive both in absolute terms and also in comparison to the national benchmark. Staff at Kernow were more satisfied with the remote learning arrangements than staff in other UK primary schools (+8%). Parents at Kernow Learning, overall, were slightly less satisfied with their school's learning arrangements last term than parents in other UK primary schools. However, the difference from the national benchmark is small (-3%) and across the trust individual schools ranged from +18% above benchmark to -24% below.

Pupils at Kernow Learning assess their learning progress last term similarly to other primary school pupils in the UK.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Staff responses highlight school leadership as a clear area of strength at the Trust's schools. To all questions regarding leadership, staff responses are positive both in absolute terms as well as in comparison to the UK national benchmark for primary schools. Staff appreciated the clarity of communication and expectations for work. They also recognised opportunities for engagement in decision-making and the support available to them. The results showed that as a trust we were above benchmark in supporting staff and pupil wellbeing during the school closure period. The staff report feeling satisfied with their work-life balance and emotional well-being and pupils also felt more able to find somebody to talk to if they needed than pupils in other UK primary schools. Teachers at Kernow Learning report that they were able to set clear learning tasks to their pupils, and the pupil data supports their confidence. For both groups, the results are above the UK primary school benchmark. Each school in Kernow Learning has been provided with the detailed results of the survey. Engaging with the survey has enabled Kernow Learning schools to reflect on the learning provided during the school closure period and to put in place additional processes in order to deliver a better remote learning strategy in 2020/21.

Teaching School

Trenance Learning Academy continue as the designated Teaching School within the Kernow Teaching School Alliance (KTSA). In addition to internal monitoring and support to ensure that standards are assessed, each school within Kernow Learning employs a robust and challenging performance management programme that is both supportive and rigorous. Each school undertakes internal and external reviews. CPD plays a major part in improving each academy and Kernow Learning staff work together utilising the experience of Hub Leaders, the Executive Leadership Team, and also with external partners, to deliver a wide ranging programme on improving teaching and learning.

All Kernow Learning Schools are part of the Kernow Teaching School Alliance school improvement package. As part of this process all schools undertake peer to peer reviews, not only to moderate standards but also to share good practice. The KTSA school improvement package brings together a committed and principled group of people working collaboratively to share knowledge and expertise in order to support quality training and professional development across their partner trusts. This alliance improves school challenge, achieve the best value for money and has a positive impact on the life chances of the children and young people within the Academy Trust.

English Hub

The Kernow English Hub based at Trenance Learning Academy is one of 32 schools across England appointed by the DfE to take a leading role in supporting schools in the teaching of early reading, closing the word gap and promoting a love of reading. Throughout 2019/20 the English Hub continued to deliver either in person or remotely it's mission to ensure that every child becomes a reader through supporting schools in achieving excellence in early literacy teaching, through an initial focus on:

- Developing early language and closing the 'word gap'
- Developing early reading through systematic synthetic phonics
- Promoting a love of reading

Kernow English Hub held a very successful spring term conference in February 2020.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Sponsor

Kernow Learning Academy Trust is approved by the Department of Education as an appropriate organisation to sponsor academies in need of support. This means that the Trust will support schools as a system leader in order to ensure that more children get the best possible start in life.

Key Performance Indicators

A number of KPIs are measured and reported both at school and Trust level.

These include:

- Staff costs/income %
- Teachers costs
- Education support costs
- Premises staff
- Admin staff
- Pupils per class
- Revenue reserves/GAG %
- Curriculum spend/ income %
- Revenue surplus or (deficit)/income %

As funding is based on pupil numbers this is also a Key Performance Indicator.

Trust Improvement Plan

Priorities for 2020/21

Priorities for the development of Kernow Learning Trust 2020/21 (dependent on National / Local situation with regard to Covid-19 pandemic)

Quality of Education

EYFS - Outcomes and progress

- Early Adopters of new EYFS curriculum
- Areas: Writing / Expressive Art and Design

KS1 - Outcomes

- Areas: Writing & Maths (expected and greater depth)

KS2 – Outcomes and progress

- Areas: Writing & Maths
- Greater Depth
- KS2 Progress

Groups: Disadvantaged pupils (all Key stages (+ phonics) /all subjects / Expected & Greater Depth)

- EAL pupils Phonics

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

- Girls Maths
- Develop Curriculum leadership so that the curriculum is regularly reviewed to ensure consistency, stretch, progress and breadth compatible with the most recent Ofsted framework requirements with a Trust focus on Reading, Science and Global Learning
- Ensure all schools are able to continue to deliver the curriculum remotely if school or class closure occurs or a pupil is unable to attend school due to Covid-19
- Teaching and Learning to be underpinned by core principles and a common language which facilitates conversations about high quality practice
- Formative and summative assessment to be understood by all staff and be aligned to the vision, curriculum and age related expectations
- Data accessible, shared widely and used to inform regular, honest, action focussed conversations
- Recognised hubs of expertise, Teaching Schools, other MATs, NLE's, Challenge Partners to play an integral part in supporting school improvement

Leadership & Management

- Develop the senior leadership and central roles of the trust in tandem with the development of the hub model to more effectively meet the needs of schools
- Develop the system of governance to support individual LABs to quality ensure standards and ensure communication between all levels of governance
- Implement the Trust wide IT strategy to underpin effective working and communication at all levels as well as facilitating remote home learning
- The Trust to have a clear and common understanding of what outstanding performance is and a clear and compelling vision for the quality of education it expects in all of its schools
- Leaders to organise the support for schools based on clear, evidence-informed theory of action and evidence impact
- The live risk register to be used to drive all improvement priorities
- Develop a consistent approach to Performance Management and train leaders to apply this system fairly
- Develop trust wide 'Strategies' to improve outcomes across all Key Stages starting with Safeguarding, Assessment, OEL, EYFS strategy
- Develop the Trust's school improvement strategy to utilize the recently identified pool of talented teachers and leaders to further develop the school improvement package and ensure succession planning
- Succession planning ensured through approaches to system leadership, lead practitioners, coaching, modelling and enquiry led learning

Behaviour & Attitudes

- Improve attendance (focus on persistent absence) to ensure that all schools have a consistent approach and that attendance levels at least meet the national standards (Attendance Strategy)

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Personal Development

- Design and implement a questionnaire system to capture and respond to stakeholder views at Trust and individual school level
- Further develop and implement the Well Being Strategy
- Develop a Trust Pupil Council
- Raise Mental Health awareness for pupils through engagement in the Trauma Informed Schools strategy
- Increase knowledge of Equality and Diversity issues at all levels

These aims are reflected within all of the individual school impact and improvement plans. The Trust priorities are being delivered by each school. The delivery and quality assurance of this plan and each school impact and improvement plan is the responsibility of the Kernow Learning Trustees and the Local Advisory Board members.

Going Concern

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

Kernow Learning responded quickly to the impact of Covid-19 and enabled Free School Meal (FSM) vouchers through Wonde to be delivered to our local families as this provided the best access to the option in Cornwall and for families with only phone based technology. Due to additional costs incurred during the year as a result of the pandemic, the Trust made a claim against the exceptional funding related to the coronavirus fund of £193,350 which was paid in full. To cover anticipated costs going forward, the Trust has ring-fenced £75k of revenue funding from reserves to support in the main any additional staffing costs in 2020/21 and also ring fenced £50k of Schools Capital Allowance to address any capital needs at school sites to address Covid security.

For the year ending 31 August 2021, the Trust is forecasting a surplus of £113k. If this does not materialise and additional costs are incurred the Trust has sufficient carry forward reserve levels of £1,578k unrestricted and £607k restricted to provide significant headroom for such an eventuality.

The Trust has strong cash reserves at the year end of £2,873k (2019 - £1,437k). The Trust receives £1,436k per month in funding from the ESFA and the most significant cost to the trust is payroll costs which on average is about £1,055k. As the Trust operates a significant cash balance and that it is forecasted to operate at a surplus for the coming year, no cash flow issues are anticipated.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Financial Review

The Multi Academy Trust held fund balances at 31 August 2020 of £31,825,906 (2019: £12,574,611) comprising £38,720,684 (2019: £14,836,145) of restricted fixed asset funds, a surplus of £607,378 (2019: surplus £208,161) of restricted funds, £1,577,844 (2019: £500,305) of unrestricted funds and a pension reserve deficit of £9,080,000 (2019: £2,970,000).

In accordance with the Master and Supplemental Funding Agreements, the principal source of general funding with which to finance the operations of the Multi Academy Trust, is the Department for Education.

The Multi Academy Trust spent £1,093,239 (2019: £772,820) on fixed assets, primarily invested in the provision of fire alarm upgrade works, footpaths, roofing, fencing, heating systems kitchen upgrade, COVID specific works, Urgent Capital work at Foxhole Learning Academy and ICT equipment across all schools.

For the period 2019/20, the Multi Academy Trust has received £1,236,068 (2019: £552,916) from the Department for Education and £21,364 (2019: £11,345) from the Local Authority through the Pupil Premium funding mechanism. This money has all been spent on the additional salary costs and other related support costs against the tracked assessed needs of this monitored group.

The pension fund is in a deficit with a closing balance of £9,080,000 (2019: £2,970,000). As a result of this deficit, additional contributions of £211,033 (2019: £78,542) were paid into the fund, which is included within charitable expenditure in the SOFA.

The Multi Academy Trust made an in year surplus of £20k (2019: surplus of £407k) after adjusting the net income/(expenditure) in the SOFA of £20,374k (2019: £79k) for the transfer of funds from ACE of £21,540k (2019: £nil) and the FRS102 LGPS SOFA adjustment £1,186k (2019: £328k).

Reserves Policy

The Board of Trustees reviewed the Reserves Policy in March 2020 and have set a capital and revenue reserves policy which will be reviewed every three years. The Board of Trustees as required will create specific capital reserves to be fund future capital expenditure. The Trustees require a revenue reserve to be created to fund future expenditure related to the Academy Development Plan's strategic long-term aims and developments to protect the Multi Academy Trust with regard to uncertainty of central government funding. The current level of free reserves is £1,577,844 (2019: £500,305).

Investment Policy

The Board of Trustees reviewed the Investment Policy in March 2020. The policy of Kernow Learning is to take a "no risks" approach with funds being kept in a UK clearing bank.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Principal Risks and Uncertainties

The principal risk facing the Multi Academy Trust is the future level of Government Funding. This risk is managed by careful control over budgeted expenditure which ensures that at Trust level a deficit does not arise for the year, combined with a prudent reserves policy. The Trustees also self-assess financial and governance arrangements by completing the My Governor Space Self-Assessment Form and by complying with the latest issued Accounts Direction.

In addition to the levels of Government Funding, Trustees of Kernow Learning have acknowledged that the Covid-19 pandemic has created significant risk and uncertainty. The Trust has ensured that all Government Guidance has been followed to allow the safe operation of schools in the Trust, this has included the regular review and updating of Risk Assessments, production of individual site staff handbooks and clear procedures for responding to anyone displaying symptoms on school sites or testing positive. The Trustees also identified additional funding from reserves to be used to support staffing impacted by Covid-19.

Further financial risks and uncertainties facing the Trust are illustrated in the table below:

Risks	Mitigation factors
Fraud	Internal control framework implemented across the Multi Academy Trust
Failure to ensure that Financial Reporting requirements are met	Financial Management Plan regularly reviewed and finance staff are adequately trained and supported
Failure to monitor the performance of employee pension scheme	Advice from pension scheme sought
Falling roll	Marketing Strategy in place
Growth of the Trust	Planned Expansion Strategy in place

The Board of Directors have considered and reviewed the principal risks and uncertainties facing the Trust and have implemented an internal financial control framework to mitigate the risks, which consists of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability.

Financial and risk management objectives and policies

The Trustees of Kernow Learning have adopted a Risk Management Policy. This explains the Multi Academy Trust's underlying approach to risk management, documents and roles and responsibilities of the Trustees, the leadership team and other key parties. It also outlines key aspects of the risk management process and identifies the main reporting procedures.

In addition, it describes the process the Trustees will use to evaluate the effectiveness of the Multi Academy Trust's internal control procedures.

The system of internal control incorporates risk management. This system encompasses a number of elements that together facilitate an effective and efficient operation, enabling the Multi Academy Trust to respond to a variety of operational, financial and commercial risks. These elements include:

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

A. Policies and procedures

Attached to significant risks are a series of policies that underpin the internal control process. The policies are set by the Trustees and implemented and communicated by the CEO to staff. Written procedures support the policies where appropriate.

B. Termly reporting

Comprehensive termly reporting is designed to monitor key risks and their controls. Decisions to rectify problems are made at regular meetings of the Executive Leadership Team and the Board of Trustees if appropriate.

C. Business planning and budgeting

The business planning and budgeting process is used to set objectives, agree action plans and allocate resources. Progress towards meeting the Multi Academy Trust's development plan objectives is monitored regularly.

D. Live Risk Register (significant risks only)

This register helps to facilitate the identification, assessment and ongoing monitoring of risks significant to the Multi Academy Trust. The document is reviewed at every meeting of the Board of Trustees and emerging risks are added as required and improvement actions and risk indicators are monitored.

E. Internal Auditor (IA)

The IA will report to the Board of Trustees on internal controls and alert Trustees to any emerging issues. The IA is well placed to provide advice to the Board of Trustees on the effectiveness of the internal control system, including the Multi Academy Trust's system for the management of risk.

F. External audit

External audit provides feedback to the Board of Trustees on the operation of the internal financial controls reviewed as part of the annual audit.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

G. Third party reports

From time to time, the use of external consultants will be necessary in areas such as health and safety and human resources. The use of specialist third parties for consulting and reporting can increase the reliability of the internal control system.

The Trustees appointed PKF Francis Clark to undertake additional control checks at each site during the year on a biannual basis. The Trustees also self-assessed financial and governance arrangements by completing the DfE Governor Space Self-Evaluation process.

Fundraising

Kernow Learning generates the majority of its funds through grant application and allocation.

Individual Friends groups and Parent Teacher Associations associated with each of Kernow Learning's schools have income generated restricted funds for named schools by carrying out a range of events to suit individual academy needs, events have included Christmas fairs, non-uniform days and school discos these events have been supported by staff, parent and community volunteers. We do not carry out street fundraising, nor do we undertake fundraising mail shots or telephone canvassing. We do not work with, or have oversight of, any commercial participators or professional fundraisers. We do ensure fundraising on our behalf conforms to recognised standards. We monitor and respond to any complaints as detailed in our complaints policy (no complaints relating to fundraising were received during the year 2019/20). Kernow Learning always seek to safeguard and protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Streamlined Energy and Carbon Reporting

UK energy use and associated greenhouse gas emissions

The Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only for all assets that come under an operational control boundary. This includes all 17 schools controlled during the reporting period along with minibuses and personal vehicles used for business mileage ("grey fleet").

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period; however, some on site renewable energy is calculated over slightly different annual periods (e.g. June to June) depending on available data.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Most of the energy consumption was compiled from invoice records, with any gaps in the records estimated using the pro-rata method. Mileage claims were used to calculate energy use and emissions associated with grey fleet. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

On site renewable electricity is calculated from Feed-in-Tariff invoices and estimated where necessary (using a pro-rata method with seasonal adjustments) to provide an annual period. Exported energy is not measured so is estimated to be 50% and excluded from the report.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2019/20
Mandatory energy:	
Gas	1,003,316
Purchased electricity from the grid	1,093,295
Transport fuel	134,339
Total mandatory energy	2,230,950
Voluntary energy:	
Oil	645,442
Biomass	119,782
Consumed electricity from on-site renewable sources ¹	47,098
Total voluntary energy	812,322
Total mandatory & voluntary energy	3,043,272

¹ On-site renewable energy is calculated over different annual periods and excludes exported energy (estimated to be 50% of generated energy).

Intensity ratio

The primary intensity ratio is total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil (based on the Autumn 2019 Census), which is the recommended ratio for the sector for consistency and comparability. A secondary intensity ratio based on floor area (Gross Internal Area) is also provided to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Breakdown of emissions associated with the reported energy use (CO₂e):

Emission source	2019/20
Mandatory emissions:	
Scope 1	
Gas	184.5
Transport - Trust owned vehicles (minibuses)	3.3
Scope 2	
Purchased electricity (location-based)	254.9
Scope 3	
Transport – Business travel in employee owned vehicles	29.9
Total gross mandatory emissions	472.6
Intensity ratios (mandatory emissions only)	
Tonnes of CO ₂ e per pupil	0.108
Tonnes of CO ₂ e per square meter floor area	0.018
Voluntary emissions:	
Scope 1	
Oil	163.6
Biomass (N ₂ O & CH ₄ only emissions)	1.9
Consumed electricity from on-site renewable sources	0.0
Total gross voluntary emissions	165.5
Total gross voluntary & mandatory emissions	638.0
Outside of scope	
Biomass (CO ₂ only emissions)	41.9

Energy efficiency action during current financial year

Energy consumption is expected to be below typical this year due to the reduced occupancy across all sites following Covid-19 restrictions from 23rd March 2020. From this date, the schools were open to key worker children only, with a phased and partial reopening for certain year groups occurring in June.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

The health restrictions have also resulted in the greater utilisation of digital platforms for staff meetings (such as video conferencing), which reduces the need for travel to and between sites. The emission saving resulting from these activities has not been quantified, but this practice has resulted in behaviour changes that are expected to continue for the foreseeable future.

Outside of the Covid-19 response, the Trust is committed to reducing longer term emissions and this year has seen the implementation of the following energy efficiency measures:

- Trenance Learning Academy had a hall roof replaced in August 2020, with insulation also improved.
- An air source heat pump was installed in the old block at Foxhole School in June 2020.

Plans for Future Periods

On 1st September 2020 King Charles Church of England School and St Francis Church of England School joined Kernow Learning. This decision was approved by the Department for Education and the Diocesan Board, who oversee church schools. Kernow Learning Trustees are delighted that both schools and their communities have joined Kernow Learning.

The priorities for 2019/20 were impacted by the need for the trust to respond to the Covid-19 pandemic therefore for the 2020/21 period Kernow Learning will continue to prioritise the development of the trust improvement cycle, use of the Catch up Premium to meet need created due to school closure during the pandemic, planning to improve children's language skills, outcomes for disadvantaged pupils, leadership and management (including governance), the quality of the curriculum and standards in writing and mathematics.

In addition:

- Provision for vulnerable groups is always a priority (disadvantaged pupils, SEND, CIC, EAL, etc) across all core subjects and the wider curriculum
- Curriculum review and development to ensure broad and balanced provision, subject progression, planning for sequenced learning, links between curriculum subjects, and opportunities for reading (especially) and writing and maths.
- Support for the schools facing the greater challenges

The Board of Trustees have committed reserves to allow for the uncertainty that Covid-19 presents to the Trust, to embed systems and structures and ensure sustainability as a Systems Leader.

For all schools within Kernow Learning there is an expectation that cross trust shared working and allowable GAG pooling will continue and that we use our positive energies to challenge and inspire each other to achieve the very best outcomes for all of the children and their families, who are part of Kernow Learning. With the wellbeing of all staff as a priority, kindness, support and encouragement for each other is key to achieving this.

GAG monies will continue to be used to employ expert staff to provide educational support, drive through improved performance and the investment in the harmonisation of IT and assessment systems across the schools within Kernow Learning. The central team of Kernow Learning will continue to provide functional support services through the combined staffing and management structure to support operational and strategic finance, HR, MIS, Estates, IT and Marketing on behalf of the Trust.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

During 2019/20, Kernow Learning undertook a complete review and restructure of the combined centralised staffing and management structure to ensure that it provides high quality support to schools whilst remaining value for money. Over time this will help to create the efficiencies of scale required to keep these costs to a minimum level, however the intention of Kernow Learning is to retain surpluses to invest in schools within the Trust as required, to cover short-term financial deficits, or for capital investment purposes.

From a marketing and communications perspective, the Trust coordinates activity across all schools and provides on-line and local communication plans to inform and attract new learners to the Trust's schools through a shared marketing approach. The intention is to retain the local, individual identity of each school, but to provide a common approach to activity and systems to drive through efficiencies whilst celebrating being part of a wider collective and collaborative organisation.

The Trustees of Kernow Learning are committed to developing a Trust that benefits a wide community, but is also sustainable and successful and will be actively seeking to grow the Trust by continuing to engage schools that share a mutual ethos and vision. The Trustees will continue to work with the ESFA, DfE and partners at New Schools Network, Cornwall Council, the Eden Project and ECO-BOS regarding the opening of a proposed new Free School at the West Carclaze Garden Village site near St Austell.

Funds Held as Custodian Trustee on Behalf of Others

Kernow Learning holds no assets or funds on behalf of other organisations as a Custodian Trustee.

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 11/12/2020 and signed on the board's behalf by:



K Crosse (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

Governance Statement

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to J Walker (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 Kernow Learning Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Board of Trustees	Number attended	Out of a possible	Full board dates
K Crosse	4	5	13 Sept 2019
P Mason	4	5	3 Dec 2019
S Tym	5	5	7 Feb 2020
P Wyatt	5	5	15 May 2020
T Ovenden Hope	4	5	10 July 2020
M Smith	4	5	
H Sykes	5	5	
D Glynn	4	5	
D Parker (from May 20)	2	2	
J Walker	5	5	

In addition, the Trustees met 4 times to ratify and note decisions made using the emergency scheme of delegation ratified for use during the pandemic, making a total of 9 meetings during the 19/20 academic year.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

Board of Trustees	Number attended	Out of a possible	Extra Ordinary dates
K Crosse	4	4	27 March 2020
P Mason	1	4	10 June 2020
S Tym	4	4	24 June 2020
P Wyatt	4	4	27 Aug 2020
T Ovenden Hope	3	4	
M Smith	3	4	
H Sykes	3	4	
D Glynn	3	4	
D Parker (from May 20)	3	4	
J Walker	4	4	

The Finance and Audit Committee is a sub-committee of the Board of Trustees. Its purpose is to meet as and when necessary, but not less than once a term, and present a report to each meeting of the Board of Trustees. The committee assist in the decision making of the Board of Trustees, by enabling more detailed consideration to be given to the best means of fulfilling the board of Trustee's responsibility to ensure good management of the Academy's finances and resources, including proper planning, monitoring and probity. This committee has met three times during the year. Attendance at meetings during the year was as follows:

Finance & Audit Committee	Number attended	Out of a possible	Committee dates
H Sykes	3	3	15 Nov 2019
M Smith	-	2	3 March 2020
P Mason	1	2	Plus July meeting
P Wyatt	1	2	of the Chair under
J Walker	2	2	Chairs Action

The Standards and Curriculum Committee is a sub-committee of the Board of Trustees. Overall Purpose of the Committee: To receive reports to enable monitoring of and advise to the Trust Board in relation to the following: Data on attainment and achievement for all of the Trust's schools, School improvement work and leadership, Overall performance of the schools, Leadership standards, Local Governance effectiveness and to monitor and advise the Board on: SEN and inclusion, Partnership working, Admissions and Safeguarding arrangements. Attendance at meetings during the year was as follows:

Standards and Curriculum Committee	Number attended	Out of a possible	Committee dates
T Ovenden hope	3	3	11 Oct 2019
K Crosse	3	3	12 Feb 2020
S Tym	3	3	20 June 2020
J Walker	3	3	

Kernow Learning Multi Academy Trust

Governance Statement (continued)

In addition, the Board of Trustees formed 2 Task and Finish groups to review the impact of Covid-19 on the Trusts wellbeing strategy and to review the actions needed to achieve the priorities identified after completing the Trustees Governor Space self-evaluation framework. A Task and Finish group is a time limited group set up as an action sub group of the Board of Trustees to deliver a specified objective.

Governance Review

As part of the merger process Trustees undertook a self-assessment of skills based on the Skills Audit produced by the National Governors Association, this was reviewed by members and used to highlight specific areas where additional knowledge would be beneficial and the recruitment of Trustees with these specific skills sets is undertaken. In addition, all Trustees participated in the production of a Governance action plan using the rubric provided by my Governor space and post year end this has been used to enable a 360-degree review of the Chairperson.

Review of Value for Money

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

The Accounting Officer considers how the 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 available.

The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Ensuring resources are directed where they will be most effective in achieving outcomes for pupils including, deploying staff efficiently to support school improvement and developments
- Reviewing contracts to ensure that they are still fit for purpose and best value for our schools.
- Driving down costs through better procurement and negotiation based on the economy of scale of the MAT through the financial year.
- Benchmarking the academy trust spend against other schools and ensuring significant variances are reviewed to provide assurance that the expense is appropriate to our schools and providing value for money.
- Collaborating with all schools within Kernow Learning and in our strategic partnership with the Kernow Teaching School Alliance to the delivery of strong system leadership and evidenced based improvement strategies to impact on performance.

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 Kernow Learning Multi Academy Trust for the year ended 31 August 2020 and up to the date of approval of the annual report and financial statements.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2020 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 Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and decided:

- to buy-in an internal audit service from Francis Clark LLP.

The change in the FRC standards means that the external auditor will no longer be able to provide internal scrutiny work. The Trust has appointed an alternative provider to perform this service.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Multi Academy Trust's financial systems. In particular the checks carried out in the current period included testing of payroll systems, testing of purchase systems, testing of control account/ bank reconciliations.

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

The internal auditor has delivered their schedule of work as planned. The Internal Auditors report concludes that there are no material weaknesses in the discharge of the board of trustees' financial responsibilities.

Review of Effectiveness

As Accounting Officer, J Walker (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;
- the work of the external auditor;
- the financial management and governance self-assessment process;

Kernow Learning Multi Academy Trust

Governance Statement (continued)

- the work of the Executive Leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 11/12/2020 and signed on its behalf by:

K. Crosse

K Crosse (Chair of Board of Trustees)
Trustee

J Walker

J Walker (CEO)
Accounting Officer

Kernow Learning Multi Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Kernow Learning Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees of Kernow Learning Multi Academy Trust and the Education and 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 2019.

I confirm that I and the academy trust Board of Trustees of Kernow Learning Multi Academy Trust 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 2019.

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.



.....
J Walker (CEO)
Accounting Officer

Date: 11/12/2020.....

Kernow Learning Multi Academy Trust

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Kernow Learning Multi Academy Trust 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 the 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 11/12/2020 and signed on its behalf by:

K. Crosse

K Crosse (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Kernow Learning Multi Academy Trust

Opinion

We have audited the financial statements of Kernow Learning Multi Academy Trust (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2020 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, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information (covers the Reference and Administrative Details, the Trustee's Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Kernow Learning Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Kernow Learning Multi Academy Trust (continued)

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 34], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Kernow Learning Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Kernow Learning Multi Academy Trust (continued)

Use of our report

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



.....
Duncan Leslie (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date: 12/1/21

Kernow Learning Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Kernow Learning Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 8 January 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kernow Learning Multi Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Kernow Learning Multi Academy Trust's Accounting Officer and the reporting Accountant

The Accounting Officer is responsible, under the requirements of Kernow Learning Multi Academy Trust's funding agreement with the Secretary of State for Education dated 15 October 2010 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures;
- Evaluation of the system of internal controls for authorisation and approval;
- Performing substantive tests on relevant transactions.

Kernow Learning Multi Academy Trust

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

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



.....
Duncan Leslie
PKF Francis Clark, Chartered Accountants

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date: 12/1/21

Kernow Learning Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	29,006	34,683	684,631	748,320
Transfer from local authority and other MATs		1,043,642	(3,517,931)	24,014,213	21,539,924
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	476,937	21,460,069	-	21,937,006
Teaching schools		-	314,235	-	314,235
Other trading activities	4	66,365	25,679	-	92,044
Investment income	5	1,542	-	-	1,542
Total		1,617,492	18,316,735	24,698,844	44,633,071
Expenditure on:					
Raising funds	6	95,605	-	-	95,605
<i>Charitable activities:</i>					
Academy trust educational operations	7	444,348	22,364,066	1,053,789	23,862,203
Teaching schools	29	-	300,968	-	300,968
Total		539,953	22,665,034	1,053,789	24,258,776
Net income/(expenditure)		1,077,539	(4,348,299)	23,645,055	20,374,295
Transfers between funds		-	(239,484)	239,484	-
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	26	-	(1,123,000)	-	(1,123,000)
Net movement in funds/(deficit)		1,077,539	(5,710,783)	23,884,539	19,251,295
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		500,305	(2,761,839)	14,836,145	12,574,611
Total funds/(deficit) carried forward at 31 August 2020		1,577,844	(8,472,622)	38,720,684	31,825,906

Kernow Learning Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019 £
Income and endowments from:					
<i>Voluntary income</i>					
Donations and capital grants	2	10,352	60	799,750	810,162
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	255,412	9,813,790	-	10,069,202
Teaching schools		-	255,617	-	255,617
Other trading activities	4	217,912	-	-	217,912
Investment income	5	829	-	-	829
Total		484,505	10,069,467	799,750	11,353,722
Expenditure on:					
Raising funds	6	209,048	-	-	209,048
<i>Charitable activities:</i>					
Academy trust educational operations	7	242,344	10,233,917	344,173	10,820,434
Teaching schools		-	245,694	-	245,694
Total		451,392	10,479,611	344,173	11,275,176
Net income/(expenditure)		33,113	(410,144)	455,577	78,546
Transfers between funds		(35,477)	(33,882)	69,359	-
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	26	-	(806,000)	-	(806,000)
Net movement in (deficit)/funds		(2,364)	(1,250,026)	524,936	(727,454)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		502,669	(1,511,813)	14,311,209	13,302,065
Total funds/(deficit) carried forward at 31 August 2019		500,305	(2,761,839)	14,836,145	12,574,611

Kernow Learning Multi Academy Trust

(Registration number: 7394649)

Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	12	5,750	10,719
Tangible assets	13	<u>38,411,830</u>	<u>14,643,374</u>
		<u>38,417,580</u>	<u>14,654,093</u>
Current assets			
Debtors	14	1,718,586	580,052
Cash at bank and in hand		<u>2,873,275</u>	<u>1,436,502</u>
		4,591,861	2,016,554
Creditors: Amounts falling due within one year	15	<u>(1,911,691)</u>	<u>(1,026,666)</u>
Net current assets		<u>2,680,170</u>	<u>989,888</u>
Total assets less current liabilities		41,097,750	15,643,981
Creditors: Amounts falling due after more than one year	16	<u>(191,844)</u>	<u>(99,370)</u>
Net assets excluding pension liability		40,905,906	15,544,611
Defined benefit pension scheme liability	26	<u>(9,080,000)</u>	<u>(2,970,000)</u>
Total assets		<u><u>31,825,906</u></u>	<u><u>12,574,611</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		607,378	208,161
Restricted fixed asset fund		38,720,684	14,836,145
Restricted pension fund		<u>(9,080,000)</u>	<u>(2,970,000)</u>
		30,248,062	12,074,306
Unrestricted funds			
Unrestricted general fund		<u>1,577,844</u>	<u>500,305</u>
Total funds		<u><u>31,825,906</u></u>	<u><u>12,574,611</u></u>

The financial statements on pages 40 to 72 were approved by the Trustees, and authorised for issue on 11/12/2020 and signed on their behalf by:

K. Crosse

K Crosse (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	1,737,273	(9,755)
Cash flows from investing activities	23	(407,065)	27,759
Cash flows from financing activities	22	<u>106,565</u>	<u>63,384</u>
Change in cash and cash equivalents in the year		1,436,773	81,388
Cash and cash equivalents at 1 September		<u>1,436,502</u>	<u>1,355,114</u>
Cash and cash equivalents at 31 August	24	<u><u>2,873,275</u></u>	<u><u>1,436,502</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

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

Basis of preparation

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

Kernow Learning Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees 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. Please refer to the going concern section in the trustees report for further detail.

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.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. 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 period it is receivable and to the extent the academy trust has provided the goods or services.

Transfer on conversion

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

Transfer of existing academies into the trust

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the Transfer of an existing academy into the trust within Donations and capital grant income.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £500 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 fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Software	25% straight line

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are recognised on the balance sheet when it is deemed that the Academy Trust has control over the asset.

In the case of the school land and buildings at The Bishop's C of E Learning Academy, the Academy Trust has a license to occupy the premises, evidenced by a supplemental agreement between the Academy Trust, the Diocese and the Secretary of State.

Having perused the arrangement with the Diocese, the trustees have concluded that control of the school land and buildings is retained by the Diocese and therefore the land and building assets are not recognised on the balance sheet in respect of this Academy. Any capital improvement works undertaken to the building at The Bishop's C of E Learning Academy are recognised as site improvements and capitalised on the balance sheet.

Where control is substantiated, assets costing £500 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Multi Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Leasehold buildings	2% straight line
Site improvements	2% straight line
Computer equipment	33.3 - 25% straight line
Furniture and equipment	20 - 25% straight line
Motor vehicles	20% straight line

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.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

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.

Leased assets

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

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 basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The Multi Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Multi Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2020 excludes the expected impact of compensation payments arising from this judgement on the basis of materiality.

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 Education Skills Funding Agency/Department for Education.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Other voluntary income					
Capital grants	-	-	684,631	684,631	799,750
Other donations	29,006	34,683	-	63,689	10,412
	<u>29,006</u>	<u>34,683</u>	<u>684,631</u>	<u>748,320</u>	<u>810,162</u>

The income from donations and capital grants was £748,320 (2019: £810,162) of which £29,006 was unrestricted (2019: £10,352), £34,683 restricted (2019: £60) and £684,631 restricted fixed assets (2019: £799,750).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Multi Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	16,445,389	16,445,389	7,601,948
Other DfE/EFA grants	-	3,801,426	3,801,426	1,496,133
	-	20,246,815	20,246,815	9,098,081
Other government grants				
Other LA grants	-	1,063,758	1,063,758	593,303
Non-government grants and other income				
Non grant income	476,937	149,496	626,433	377,818
Total grants	476,937	21,460,069	21,937,006	10,069,202

The funding for educational operations was £21,937,006 (2019: £10,069,202) of which £476,937 was unrestricted (2019: £255,413), £21,460,069 restricted (2019: £9,813,790) and £Nil restricted fixed assets (2019: £Nil).

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	29,035	-	29,035	19,767
Recharges and reimbursements	14,499	-	14,499	14,009
Other income	22,831	25,679	48,510	184,136
	66,365	25,679	92,044	217,912

The income from other trading activities was £92,044 (2019: £217,913) of which £66,365 was unrestricted (2019: £217,913), £25,679 restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	<u>1,542</u>	<u>1,542</u>	<u>829</u>

The income from investments was £1,542 (2019: £832) of which £1,542 was unrestricted (2019: £832), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

6 Expenditure

	Staff costs £	Non Pay Expenditure		2019/20 Total £	2018/19 Total £
		Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	86,605	9,000	-	95,605	209,048
Academy's educational operations					
Direct costs	14,473,983	-	1,103,736	15,577,719	7,176,172
Allocated support costs	3,729,905	2,397,893	2,156,686	8,284,484	3,644,262
Teaching School	<u>144,207</u>	<u>-</u>	<u>156,761</u>	<u>300,968</u>	<u>245,694</u>
	<u>18,434,700</u>	<u>2,406,893</u>	<u>3,417,183</u>	<u>24,258,776</u>	<u>11,275,176</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2019/20	2018/19
	£	£
Operating leases - plant and machinery	40,668	17,985
Amortisation of intangible fixed assets	5,089	5,453
Fees payable to auditor - audit	15,000	10,000
- other audit services	21,190	18,640
Depreciation	<u>1,048,699</u>	<u>338,720</u>

7 Charitable activities

	Total 2019/20	Total 2018/19
	£	£
Direct costs - educational operations	15,577,719	7,176,172
Support costs - educational operations	<u>8,284,484</u>	<u>3,644,262</u>
	<u>23,862,203</u>	<u>10,820,434</u>

	Educational operations £	Total 2019/20 £	Total 2018/19 £
Analysis of support costs			
Support staff costs	3,729,905	3,729,905	1,510,555
Depreciation	1,053,789	1,053,789	344,173
Technology costs	263,321	263,321	170,693
Premises costs	1,344,104	1,344,104	698,987
Other support costs	1,851,413	1,851,413	891,214
Governance costs	<u>41,952</u>	<u>41,952</u>	<u>28,640</u>
Total support costs	<u>8,284,484</u>	<u>8,284,484</u>	<u>3,644,262</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	13,107,807	6,091,357
Social security costs	1,088,140	506,846
Pension costs	4,055,278	1,386,014
	<u>18,251,225</u>	<u>7,984,217</u>
Supply teacher costs	183,475	211,361
	<u>18,434,700</u>	<u>8,195,578</u>

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year was as follows:

	2019/20 No	2017/18 No
Charitable Activities		
Teachers	245	126
Administration and support	450	198
Management	20	7
	<u>715</u>	<u>331</u>

Higher paid staff

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

	2019/20 No	2018/19 No
£60,001 - £70,000	3	1
£70,001 - £80,000	4	3
£80,001 - £90,000	1	-
£100,001 - £110,000	-	1
£120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer National Insurance Contributions) received by key management personnel for their services to the Multi Academy Trust was £1,647,472 (2018 - £980,932).

9 Central services

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

- finance services
- head office facilities
- human resource services
- general premises support, including insurance
- business director services

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

- 5% General Annual Grant
- historical charges

The actual amounts charged during the year were as follows:

	2020 £
Trenance Learning Academy	72,616
Falmouth Primary Academy	65,990
Foxhole Learning Academy	25,722
St Newlyn East Learning Academy	38,121
St Merryn School	26,293
Constantine Primary School	35,823
Leedstown Community Primary School	22,641
Mabe School	32,997
The Bishops C of E Learning Academy	67,011
Trevisker Primary School	36,684
Beacon ACE Academy	90,773
Charlestown Primary School	63,189
St Agnes ACE Academy	56,050
St Columb Major ACE Academy	16,518
St Columb Minor ACE Academy	69,395
St Kew ACE Academy	107,975
Upton Cross ACE Academy	20,685
	848,483

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

10 Directors' 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:

R Cowen (CEO) (resigned 31 August 2019):

Remuneration: £Nil (2019 - £100,000 - £105,000)

Employer's pension contributions: £Nil (2019 - £15,000 - £20,000)

J Walker (CEO) (appointed 1 September 2019):

Remuneration: £120,000 - £125,000 (2019 - £Nil)

Employer's pension contributions: £25,000 - £30,000 (2019 - £Nil)

11 Directors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £1,958 (2019 - £1,958).

The cost of this insurance is included in the total insurance cost.

12 Intangible fixed assets

	Software £	Total £
Cost		
At 1 September 2019	21,813	21,813
Additions	120	120
At 31 August 2020	21,933	21,933
Amortisation		
At 1 September 2019	11,094	11,094
Charge for the year	5,089	5,089
At 31 August 2020	16,183	16,183
Net book value		
At 31 August 2020	5,750	5,750
At 31 August 2019	10,719	10,719

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Motor vehicles £	Computer equipment £	Site improvements £	Total £
Cost							
At 1 September 2019	1,585,024	13,703,317	358,366	17,050	378,882	277,023	16,319,662
Additions	579,073	340,364	72,660	-	97,025	3,997	1,093,119
Academy transfer in	<u>2,683,635</u>	<u>22,394,506</u>	<u>780,310</u>	<u>14,750</u>	<u>719,126</u>	<u>-</u>	<u>26,592,327</u>
At 31 August 2020	<u>4,847,732</u>	<u>36,438,187</u>	<u>1,211,336</u>	<u>31,800</u>	<u>1,195,033</u>	<u>281,020</u>	<u>44,005,108</u>
Depreciation							
At 1 September 2019	106,871	1,070,034	173,343	16,153	300,930	8,956	1,676,287
Charge for the year	73,140	619,459	200,506	2,110	147,923	5,561	1,048,699
Academy transfer in	<u>96,499</u>	<u>1,762,004</u>	<u>458,737</u>	<u>7,438</u>	<u>543,614</u>	<u>-</u>	<u>2,868,292</u>
At 31 August 2020	<u>276,510</u>	<u>3,451,497</u>	<u>832,586</u>	<u>25,701</u>	<u>992,467</u>	<u>14,517</u>	<u>5,593,278</u>
Net book value							
At 31 August 2020	<u>4,571,222</u>	<u>32,986,690</u>	<u>378,750</u>	<u>6,099</u>	<u>202,566</u>	<u>266,503</u>	<u>38,411,830</u>
At 31 August 2019	<u>1,478,153</u>	<u>12,633,283</u>	<u>185,023</u>	<u>897</u>	<u>77,952</u>	<u>268,067</u>	<u>14,643,375</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Debtors

	2020 £	2019 £
Trade debtors	17,941	33,417
Prepayments and accrued income	849,987	412,347
VAT recoverable	850,658	131,781
Other debtors	-	2,507
	<u>1,718,586</u>	<u>580,052</u>

15 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	439,437	189,780
Other taxation and social security	250,005	111,084
Other creditors	14,092	7,197
Pension scheme creditor	322,513	130,991
Accruals	386,694	212,438
Deferred income	<u>498,950</u>	<u>375,176</u>
	<u>1,911,691</u>	<u>1,026,666</u>

Included within other creditors is a loan of £14,092 (2019 - £7,197) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	375,176	276,234
Resources deferred in the period	498,950	375,176
Amounts released from previous periods	<u>(375,176)</u>	<u>(276,234)</u>
Deferred income at 31 August 2020	<u>498,950</u>	<u>375,176</u>

Income has been deferred mainly in relation to the Universal Free School Meal Fund. There is also income deferred in relation to Pupil growth Funding and Pre-school rent received in advance. The deferral serves to recognise the income over the time periods to which it relates. Included in deferred income for the previous year is £42,813 of Parent Teacher Association (PTA) monies; where PTA monies are donated for the use of a specific school only, these monies are ring fenced accordingly so that they are spent on the specific school for its intended purpose.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Creditors: amounts falling due after one year

	2020 £	2019 £
Other creditors	191,844	99,370

Included within other creditors is a loan of £24,682 (2019 - £28,790) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

Also included in other creditors is a loan of £167,162 (2019 - £70,580) from the Department for Education which is provided on the following terms: the loan incurs interest at 2.29% and is repayable over 10 years. Repayments have not been made as at the year end as the full amount of the loan is still to be received.

17 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	16,473,736	(16,096,941)	(184,592)	192,203
Other DfE/ESFA revenue grants	15,085	3,869,184	(3,707,370)	(46,904)	129,995
LA and other restricted funds	-	1,330,580	(1,243,755)	(7,988)	78,837
Teaching School	193,076	314,235	(300,968)	-	206,343
	<u>208,161</u>	<u>21,987,735</u>	<u>(21,349,034)</u>	<u>(239,484)</u>	<u>607,378</u>
Restricted fixed asset funds					
Assets transferred from conversion	9,996,924	12,240,766	(382,003)	-	21,855,687
Assets purchased/ donated	4,649,406	11,483,259	(671,786)	834,262	16,295,141
DfE/ESFA capital grants	173,556	959,752	-	(563,452)	569,856
LA and other capital funds	16,259	15,067	-	(31,326)	-
	<u>14,836,145</u>	<u>24,698,844</u>	<u>(1,053,789)</u>	<u>239,484</u>	<u>38,720,684</u>
Restricted pension funds					
Pension Fund	<u>(2,970,000)</u>	<u>(3,671,000)</u>	<u>(1,316,000)</u>	<u>(1,123,000)</u>	<u>(9,080,000)</u>
Total restricted funds	12,074,306	43,015,579	(23,718,823)	(1,123,000)	30,248,062
Unrestricted funds					
Unrestricted general funds	<u>500,305</u>	<u>1,617,492</u>	<u>(539,953)</u>	<u>-</u>	<u>1,577,844</u>
Total funds	<u>12,574,611</u>	<u>44,633,071</u>	<u>(24,258,776)</u>	<u>(1,123,000)</u>	<u>31,825,906</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	-	7,601,947	(7,576,039)	(25,908)	-
Other DfE/ESFA revenue grants	40,653	1,496,135	(1,521,703)	-	15,085
LA and other restricted funds	46,382	715,768	(818,727)	56,577	-
Teaching School	183,152	255,617	(181,142)	(64,551)	193,076
	<u>270,187</u>	<u>10,069,467</u>	<u>(10,097,611)</u>	<u>(33,882)</u>	<u>208,161</u>
Restricted fixed asset funds					
Assets transferred from conversion	10,174,953	-	(178,029)	-	9,996,924
Assets purchased/ donated	4,051,722	-	(166,144)	763,828	4,649,406
DfE/ESFA capital grants	53,486	342,280	-	(222,210)	173,556
LA and other capital funds	31,048	457,470	-	(472,259)	16,259
	<u>14,311,209</u>	<u>799,750</u>	<u>(344,173)</u>	<u>69,359</u>	<u>14,836,145</u>
Restricted pension funds					
Pension Fund	<u>(1,782,000)</u>	<u>-</u>	<u>(382,000)</u>	<u>(806,000)</u>	<u>(2,970,000)</u>
Total restricted funds	12,799,396	10,869,217	(10,823,784)	(770,523)	12,074,306
Unrestricted funds					
Unrestricted general funds	<u>502,669</u>	<u>484,505</u>	<u>(451,392)</u>	<u>(35,477)</u>	<u>500,305</u>
Total funds	<u>13,302,065</u>	<u>11,353,722</u>	<u>(11,275,176)</u>	<u>(806,000)</u>	<u>12,574,611</u>

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

Restricted general funds - The restricted general fund includes grants, receivable from the Education and Skills Funding Agency, Department for Education and Local Authority towards the principal activity of the Multi Academy Trust, being the provision of education.

Restricted fixed asset funds - The restricted fixed asset fund includes the freehold property, leasehold property, furniture and equipment transferred to the Multi Academy Trust and grants from the Education and Skills Funding Agency and Local Authority which have been received. The fund is being reduced by depreciation in the year.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

Analysis of academies by cost

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 2020 £	Total 2019 £
Trenance Learning Academy	1,531,690	283,650	145,887	501,096	2,462,324	2,204,584
St Newlyn East Learning Academy	567,289	63,366	34,017	147,807	812,479	796,083
Falmouth Primary Academy	1,133,397	122,786	38,423	335,847	1,630,453	1,561,666
Foxhole Learning Academy	365,027	31,126	14,919	135,056	546,128	507,450
The Bishops C of E Learning Academy	1,000,320	178,421	52,796	216,387	1,447,924	1,393,681
Leedstown Community Primary School	266,669	21,011	14,936	91,327	393,943	405,741
Mabe School	589,276	54,410	26,112	172,053	841,852	782,054
Trevisker Primary School	583,748	86,973	20,610	152,506	843,836	862,082
Constantine Primary School	526,053	54,564	26,966	194,116	801,700	760,198
St Merryn School	486,322	68,444	22,659	120,757	698,182	677,830
Beacon ACE Academy	1,653,827	191,751	54,163	390,943	2,290,683	-
Charlestown Primary School	1,040,522	190,103	26,764	222,656	1,480,045	-
St Agnes ACE Academy	931,344	85,051	28,780	244,026	1,289,201	-
St Columb Major ACE Academy	1,184,838	209,152	42,468	241,262	1,677,719	-
St Columb Minor ACE Academy	1,808,844	305,451	48,884	325,980	2,489,158	-
St Kew ACE Academy	276,934	26,376	23,805	96,391	423,506	-

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £	Total 2019 £
Upton Cross ACE Academy	391,691	38,557	16,876	96,636	543,759	-
Central services	367,006	1,718,713	13,280	433,099	2,532,098	979,633
Academy Trust	<u>14,704,797</u>	<u>3,729,905</u>	<u>652,345</u>	<u>4,117,945</u>	<u>23,204,990</u>	<u>10,931,002</u>

18 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	5,750	5,750
Tangible fixed assets	-	-	38,411,830	38,411,830
Current assets	1,577,844	2,345,239	668,778	4,591,861
Current liabilities	-	(1,737,861)	(173,830)	(1,911,691)
Creditors over 1 year	-	-	(191,844)	(191,844)
Pension scheme liability	-	(9,080,000)	-	(9,080,000)
Total net assets	<u>1,577,844</u>	<u>(8,472,622)</u>	<u>38,720,684</u>	<u>31,825,906</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	10,719	10,719
Tangible fixed assets	-	-	14,643,374	14,643,374
Current assets	500,305	1,137,913	378,336	2,016,554
Current liabilities	-	(929,752)	(96,914)	(1,026,666)
Creditors over 1 year	-	-	(99,370)	(99,370)
Pension scheme liability	-	(2,970,000)	-	(2,970,000)
Total net assets	<u>500,305</u>	<u>(2,761,839)</u>	<u>14,836,145</u>	<u>12,574,611</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

19 Capital commitments

	2020 £	2019 £
Contracted for, but not provided in the financial statements	<u>30,414</u>	<u>284,568</u>

20 Financial commitments

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	50,305	31,850
Amounts due between one and five years	<u>71,845</u>	<u>27,838</u>
	<u>122,150</u>	<u>59,688</u>

21 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2020 £	2019 £
Net income	20,374,295	78,546
Amortisation	5,089	5,453
Depreciation	1,048,699	338,720
Capital grants from DfE and other capital income	(684,632)	(799,750)
Non cash balances transferred from other MATs	(20,053,035)	-
Interest receivable	(1,542)	(829)
Defined benefit pension scheme cost less contributions payable	1,186,000	328,000
Defined benefit pension scheme finance cost	130,000	54,000
(Increase)/decrease in debtors	(1,138,534)	144,016
Increase/(decrease) in creditors	<u>870,933</u>	<u>(157,911)</u>
Net cash provided by/(used in) Operating Activities	<u>1,737,273</u>	<u>(9,755)</u>

22 Cash flows from financing activities

	2020 £	2019 £
Repayments of Salix loans	(14,092)	(7,197)
Cash inflows from new borrowing	<u>120,657</u>	<u>70,581</u>
Net cash provided by financing activities	<u>106,565</u>	<u>63,384</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Cash flows from investing activities

	2020 £	2019 £
Interest income	1,542	829
Purchase of intangible fixed assets	(120)	(1,924)
Purchase of tangible fixed assets	(1,093,119)	(770,896)
Capital grants from DfE Group	672,524	342,280
Capital funding received from sponsors and others	12,108	457,470
Net cash (used in)/provided by investing activities	<u>(407,065)</u>	<u>27,759</u>

24 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>2,873,275</u>	<u>1,436,502</u>
Total cash and cash equivalents	<u>2,873,275</u>	<u>1,436,502</u>

25 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Acquisition / disposal of subsidiaries £	Other non-cash changes £	At 31 August 2020 £
Cash	<u>1,436,502</u>	<u>1,436,773</u>	<u>-</u>	<u>-</u>	<u>2,873,275</u>
	<u>1,436,502</u>	<u>1,436,773</u>	<u>-</u>	<u>-</u>	<u>2,873,275</u>
Loans falling due within one year	(7,197)	21,289	(10,624)	(17,560)	(14,092)
Loans falling due after more than one year	<u>(99,370)</u>	<u>(96,582)</u>	<u>(13,452)</u>	<u>17,560</u>	<u>(191,844)</u>
	<u>(106,567)</u>	<u>(75,293)</u>	<u>(24,076)</u>	<u>-</u>	<u>(205,936)</u>
Total	<u>1,329,935</u>	<u>1,361,480</u>	<u>(24,076)</u>	<u>-</u>	<u>2,667,339</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations

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 Cornwall 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.

Contributions amounting to £322,513 (2019 - £130,991) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £1,855,832 (2019: £630,611).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,289,000 (2019 - £543,000), of which employer's contributions totalled £1,022,000 (2019 - £427,000) and employees' contributions totalled £267,000 (2019 - £116,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

Due to the scheme being in deficit lump sum amounts of £211,033 (2019 - £78,542) were paid into the scheme during the year.

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2020 excludes the expected impact of compensation payments arising from this judgement on the grounds of materiality.

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.20	2.40
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.80</u>

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

	2020	2019
Retiring today		
Males retiring today	21.40	21.10
Females retiring today	22.30	23.60
Retiring in 20 years		
Males retiring in 20 years	23.60	22.30
Females retiring in 20 years	<u>25.10</u>	<u>25.00</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2020 £	At 31 August 2019 £
Discount rate -0.5%	2,873,000	1,043,000
Salary rate +0.5%	256,000	121,000
Pension rate +0.5%	<u>2,570,000</u>	<u>903,000</u>

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

	At 31 August 2020 £	At 31 August 2019 £
Equities	6,905,000	2,594,000
Other bonds	4,439,000	1,909,000
Property	740,000	343,000
Cash and other liquid assets	<u>247,000</u>	<u>49,000</u>
Total market value of assets	<u>12,331,000</u>	<u>4,895,000</u>

The actual return on scheme assets was (£234,000) (2019 - £409,000).

Amounts recognised in the statement of financial activities

	2019/20 £	2017/18 £
Current service cost	2,208,000	748,000
Past service cost	-	7,000
Net interest cost	<u>130,000</u>	<u>54,000</u>
Total amount recognised in the SOFA	<u>2,338,000</u>	<u>809,000</u>

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

	2019/20 £	2018/19 £
At start of period	(7,865,000)	(5,631,000)
Transferred in on existing academies joining the trust	(10,105,000)	-
Current service cost	(2,208,000)	(748,000)
Interest cost	(345,000)	(169,000)
Employee contributions	(267,000)	(116,000)
Actuarial (gain)/loss	(727,000)	(1,215,000)
Benefits paid	106,000	21,000
Past service cost	<u>-</u>	<u>(7,000)</u>
At 31 August	<u>(21,411,000)</u>	<u>(7,865,000)</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

Movements in the fair value of academy's share of scheme assets

	2019/20 £	2018/19 £
At start of period	4,895,000	3,849,000
Transferred in on existing academies joining the trust	6,434,000	-
Interest income	215,000	115,000
Actuarial gain/(loss)	(396,000)	409,000
Employer contributions	1,022,000	427,000
Employee contributions	267,000	116,000
Benefits paid	(106,000)	(21,000)
At 31 August	<u>12,331,000</u>	<u>4,895,000</u>

27 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Related party transactions (continued)

Expenditure related party transactions

During the year the academy made the following related party transactions:

Dracaena Centre

(Mr P Wyatt is a director of the Dracaena Centre)

£1,080 (2019 - £1,656) was paid to the Dracaena Centre in respect of services provided in the year.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due to Dracaena Centre was £Nil (2019 - £168).

Close family member of a Director

(This related party is a close family member of a Director)

During the year the close family member was employed by the Multi Academy Trust and was paid a gross salary of £Nil (2019 - £65,384).

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due to Close family member of a Director was £Nil (2019 - £Nil).

Atlantic Centre of Excellence Multi Academy Trust

(The two MATs merged to become the Kernow Learning Multi Academy Trust on 1 September 2019)

During the year the Trust paid £Nil (2019: £30,855) to Atlantic Centre of Excellence Multi Academy Trust for various services.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due (to)/from Atlantic Centre of Excellence Multi Academy Trust was £Nil (2019 - £916).

As the related party is a not for profit Academy Trust no statement of assurance was obtained.

Newquay Education Trust (now known as Cornwall Education Learning Trust)

(Common directorship)

During the year the Trust paid £41,456 (2019 - Nil) were made from Newquay Education Trust for various services.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due from/(to) Newquay Education Trust (now known as Cornwall Education Learning Trust) was £1,598 (2019 - £Nil).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Related party transactions (continued)

Income related party transactions

During the year the academy made the following related party transactions:

Atlantic Centre of Excellence Multi Academy Trust

(The two MATs merged to become the Kernow Learning Multi Academy Trust on 1 September 2019)

Atlantic Centre of Excellence Multi Academy Trust paid £Nil (2019: £54,976) to the Trust for various services.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2019.

At the balance sheet date the amount due from Atlantic Centre of Excellence Multi Academy Trust was £Nil (2019 - £Nil).

28 Events after the end of the reporting period

On the 1st September 2020, St Francis CofE Primary School and King Charles CofE Primary School joined the Multi Academy Trust.

29 Teaching school trading account

	2019/20 £	2018/19 £
Income		
Direct Income		
Other income	314,235	255,617
Total Income	314,235	255,617
Expenditure		
Direct costs		
Other direct costs	300,968	245,694
Total Expenditure	(300,968)	(245,694)
Surplus from all sources	13,267	9,923
Teaching school balances at 1 September 2019	193,075	183,152
Teaching school balances at 31 August 2020	206,342	193,075

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

30 Transfer of existing academies into the Trust

On 1 September 2019 the Atlantic Centre of Excellence Multi Academy Trust merged with The Learning Academy Trust and formed the Kernow Learning Multi Academy Trust. All the operations and assets and liabilities were transferred to the newly formed Kernow Learning Multi Academy Trust for £Nil consideration. The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the carrying values of the assets and liabilities.

Atlantic Centre of Excellence Multi Academy Trust

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Freehold land and buildings	2,587,135	2,587,135
Leasehold land and buildings	20,632,496	20,632,496
Furniture and equipment	321,575	321,575
Computer equipment	175,512	175,512
Motor vehicles	7,312	7,312
	<u>23,724,030</u>	<u>23,724,030</u>
Current financial assets		
Debtors	676,756	676,756
Other assets		
Cash in bank and in hand	2,005,789	2,005,789
Liabilities		
Creditors due in less than one year	(1,182,199)	(1,182,199)
Creditors due in more than one year	<u>(13,452)</u>	<u>(13,452)</u>
	(1,195,651)	(1,195,651)
Pensions		
Pensions – pension scheme liabilities	<u>(3,671,000)</u>	<u>(3,671,000)</u>
Net assets	<u>21,539,924</u>	<u>21,539,924</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

31 Members' liability

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