

Registered Number: 08738949 (England & Wales)

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Southwell & Nottingham Diocesan Board of Finance (Corporate) Bishop of Southwell & Nottingham Chair of the Board of Southwell & Nottingham Multi Academy Trust Chair of The Diocese of Southwell & Nottingham Board of Education
Trustees	Philip Blinston Hilary Craik Ian Griffiths John Hunter Claire Meese (resigned 19 December 2019) Chris Moodie Angela Pae Roger Periam Nigel Frith (appointed 4 December 2020)
Company registered number	08738949
Company name	Diocese of Southwell and Nottingham Multi-Academy Trust
Principal and registered office	Jubilee House Westgate Southwell Nottingham NG25 0JH
Company secretary	Jo Saville
Chief executive officer	Chris Moodie
Senior management team	Chris Moodie, CEO Anna Martin, Principal Magnus C of E Academy Kerrie Clowes, Headteacher Harworth C of E Academy Sam Robinson, Headteacher St Mary Magdalene C of E Primary School David White, Headteacher St John's C of E Academy (to 31 August 2020) Gez Rizzo, Headteacher St John's C of E Academy (from 1 September 2020) Phil Abbott, Headteacher Worksop Priory C of E Primary Academy Liz Duffell, Headteacher St Peter's Crosskeys C of E Academy Heather Gabb, Headteacher Burntstump Seely C of E Primary Academy Sarah Clarke, Headteacher The William Gladstone C of E Primary Academy James Marshall, Headteacher St Peter's C of E Primary Academy Mansfield Helen Thomas, Executive Headteacher St Swithun's C of E Primary Academy Lisa McVeigh, Principal The Samworth Church Academy Maria Parkin, Headteacher St Mary's C of E Primary School Edwinstowe Shelley Handley-Sawer, Headteacher Haggonfields Primary and Nursery School Sarah Barratt, Headteacher Hucknall National C of E Primary School (from 1 September 2020) Joanna Hall, Academy Improvement Director (from 1 September 2020) Sarah Perry, Business Director Jo Saville, Trust Operations Director David Orridge, IT Director

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Independent auditor	Mazars LLP Chartered Accountants Statutory Auditor Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds Bank PLC 12 - 16 Lower Parliament Street Nottingham NG1 3DA
Solicitors	Anthony Collins Solicitors LLP 134 Edmund Street Birmingham B3 2ES

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of Diocese of Southwell and Nottingham Multi Academy Trust for the year ended 31 August 2020. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the reporting period the Trust operated academies as follows:

- Magnus C of E Academy - an academy for pupils aged 11-19 serving a catchment area in Newark, Nottinghamshire with a pupil capacity of 1050 and 677 on roll in the school census of October 2019.
- Harworth C of E Academy - an academy for pupils aged 4 – 11 serving a catchment area in Harworth Nottinghamshire with a capacity of 210 and 196 on roll as in the census October 2019.
- St Mary Magdalene C of E Primary School - an academy for pupils aged 4 – 11 serving a catchment area in Sutton in–Ashfield in Nottinghamshire with a capacity of 210 and 207 on roll as in the census October 2019.
- St John's C of E Academy - an academy for pupils aged 3 – 11 serving a catchment area in Worksop in Nottinghamshire with a capacity of 420, not including the nursery, and 409 pupils of statutory school age on roll as in the census October 2019. The academy opened its nursery provision for pre school pupils in September 2018.
- St Peter's Crosskeys C of E Academy – an academy for pupils aged 4 – 11 serving a catchment area around Farndon in Nottinghamshire with a capacity of 210 and 200 on roll as in the census October 2019.
- Burntstump Seely C of E Primary Academy – an academy for pupils aged 4 – 11 serving a catchment area around Arnold in Nottinghamshire with a capacity of 120 and 89 pupils of statutory school age on roll as in the census October 2019. The academy opened its nursery provision for pre school pupils in September 2018.
- Worksop Priory C of E Primary Academy – an academy serving a catchment area in Worksop in Nottinghamshire with a capacity of 210 pupils aged 4 – 11 and 204 on roll in the census of October 2019. This academy also has Early Years Foundation Stage provision.
- The William Gladstone C of E Primary Academy – an academy serving a catchment area in Newark in Nottinghamshire with a capacity for 345 pupils aged 3 – 11 and 245 pupils of statutory school age on roll in the census October 2019. This academy also has provision for Early Years Foundation Stage pupils. This academy is in the process of changing it's name to The King's C of E Primary Academy with effect from 2 November 2020.
- St Peter's C of E Primary Academy Mansfield – an academy serving a catchment area in Mansfield in Nottinghamshire with a capacity for 315 pupils aged 3 – 11 and 245 pupils of statutory school age on roll on the October 2019 census. This academy also has provision for Early Years Foundation Stage pupils.
- St Swithun's C of E Primary Academy – an academy serving a catchment area in East Retford in Nottinghamshire with a capacity for 129 statutory age pupils and 96 pupils on roll on the October 2019 census. This academy also has provision for Early Years Foundation Stage pupils.
- The Samworth Church Academy – an academy for students aged 11 – 19 situated in Mansfield with 1071 students on roll on the October 2019 census. The academy has capacity for 900 11 – 16 age pupils and 250 post 16 students.
- St Mary's C of E Primary School Edwinstowe - an academy with a capacity for 105 statutory age pupils serving a catchment area in Edwinstowe near Mansfield which joined the MAT on 1 December 2019.
- Haggonfields Primary and Nursery School – an academy with a capacity for 175 statutory age pupils in Rhodesia near Worksop which joined the MAT on 1 February 2020.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy Trust.

The Trustees of Diocese of Southwell and Nottingham Multi-Academy Trust Limited are also the directors of the charitable company for the purposes of company law.

The charitable company operates as the Diocese of Southwell and Nottingham Multi Academy Trust ("SNMAT") but also trades under the names of its individual academies as follows:

Magnus C of E Academy
Harworth C of E Academy
St Mary Magdalene C of E Primary School
St John's C of E Academy
St Peter's Crosskeys C of E Academy
Burntstump Seely C of E Primary Academy
Worksop Priory C of E Primary Academy
The William Gladstone C of E Primary Academy
St Peter's C of E Primary Academy Mansfield
St Swithun's C of E Primary Academy
The Samworth Church Academy
St Mary's C of E Primary School Edwinstowe
Haggonfields Primary and Nursery School

Details of the Trustees who served during the year are included in the Reference and Administrative Details on pages 1 and 2.

b. Members' liability

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

c. Trustees' indemnities

Indemnity cover to the value of £5,000,000 is provided for each academy through the DfE Risk Protection Arrangement for which a deduction is made on a monthly basis from the General Annual Grant Funding Allocations. This cover applies to all trustees of the trust acting in accordance with the role of professional responsibilities of the Multi Academy Trust in addition to the local governing bodies of the individual academies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

Potential new trustees are identified by the Trust Board, ensuring that the skills and expertise of new trustees are complimentary to those existing on the Board. Under the Articles of Association the SNMAT Members have the power to appoint trustees - they are not subject to election.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees depends upon their experience. Where necessary and appropriate the induction process will provide training on charity, education, legal and financial matters. All new trustees are welcome to visit any of the academies and to meet with staff and students. All trustees are provided with access to policies, procedures, minutes, accounts, budget plans and any documents that they may need to undertake their role as trustee. Trustees undertake an induction which is designed to cover the basic requirements to undertake the role and reflect the knowledge and experience they bring with them.

f. Organisational structure

The Trust is run by a Board of Directors who have overall legal responsibility for the operation of the Trust and the Academies within it. The Board works in partnership with its academies. Each Academy has its own Local Governing Body. The Governors who serve on the Local Governing Body are appointed by the Board of Directors. They include both parent and staff representatives. The Trust continues to grow. St Mary's C of E Primary School Edwinstowe joined SNMAT on 1 December 2019 and Haggonfields Primary and Nursery School will join SNMAT on 1 February 2020. Hucknall National C of E Primary School joined the Trust on 1 September 2020 and it is anticipated that the 2 academies in the West Grantham Academies Trust will transfer to the Diocese of Southwell and Nottingham MAT on 1 December 2020.

Academies joining the Trust are allocated to the appropriate academy category based on their latest Ofsted inspection report and recent performance trends. The Trust operates a Scheme of Delegation, which covers finance, human resources, education, asset management and strategy. It provides for certain functions to be carried out by one or more of the following: the Board of Directors, the Chief Executive Officer, the Principal/Headteacher of the Academy and the Local Governing Body of the Academy. The category of allocation is important because the scheme of delegation dictates the constitution of the Local Governing Body and the extent to which responsibilities are delegated to the Local Governing Body of the academy by the Trust Board. During the period under review the Trust served four sponsored academies, two supported academies and seven supporting academies. During this period the Board of Directors amended its committee structure so that the full Board met more frequently. The Finance Committee was replaced by an Audit Committee, which meets 3 times per year and a Finance Task Group which quality assures the management accounts reports. Other task groups are formed with specific remits to focus on strategic topics and report back to the Board by a termly monitoring report as and when required. A Remuneration Committee agrees the remuneration for senior centrally appointed staff annually.

A significant number of responsibilities under the Scheme of Delegation lie with the Chief Executive Officer (CEO) of the MAT. The CEO delegates some duties to staff appointed by the Trust, staff from the Diocesan education team and appointed consultants.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

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

None of the trustees of the Multi-Academy Trust receives pay or remuneration with the exception of the Chief Executive Officer. The CEO, Business Director and Director of IT of the Trust are currently remunerated at spot rates, which were set following benchmarking exercises prior to recruitment. The CEO is paid at a level below the top of the STCPD Leadership Group pay range, which allows for reasonable differentiation between the role and that of the highest paid Principal/Headteacher. These posts are remunerated at a level below that often paid to post holders in similar roles in other academy trusts. The responsibility for determining, and annually reviewing, the level of pay of the central senior management staff has been delegated to the Remuneration Committee of the Board of Directors. Pay increases are awarded in line with cost of living allowances for all other staff employed by the Trust and where appropriate to progress made by academies in the Trust.

Pay ranges for principals/head teachers, deputy head teachers and assistant head teachers are determined in line with STPCD for new appointments, where responsibilities significantly change or if the Academy Trust chooses to review pay of leadership posts in line with STPCD. The pay ranges take into account all permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations including the skills and competencies required. Pay ranges allow appropriate scope for performance related progression over time.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

The SNMAT works closely with the Diocese of Southwell and Nottingham as the trust has been set up primarily to serve church schools within the Diocese. The Diocesan Board of Finance initially provided funds related to the setting up of the Multi Academy Trust and is a corporate member of the Trust. Maintaining this link is a commitment made by both parties as the Trust grows and develops. The Central Team for the Trust is based at the Diocese of Southwell and Nottingham offices in Jubilee House in Southwell and rents facilities there at cost under a service level agreement. Support is also provided for the Trust by the Deputy Diocesan Director of Education and an Administration Assistant for Admissions and Governance at cost.

j. Engagement with employees (including disabled persons)

The Diocese of Southwell and Nottingham MAT had 582 employees in 2019-2020. The Trust maintains a consultative approach to all aspects of its operation. This is exemplified by the high level of communication the CEO has maintained with all its employees during the recent outbreak of Covid 19.

The CEO meets termly with all the Principals/Headteachers of its academies to consult with them regarding current issues and the Principals/Headteachers meet regularly with the staff in their academies to keep them apprised of developments. The Business Director meets termly with the Business Managers of all the academies and consults with them regarding what is working well and what processes and procedures could be changed to improve effectiveness.

The Trust has an established Joint Consultation and Collaboration Committee (JCC) on which the following trade unions represent their members – NEU, NASUWT, the Voice, ASCL, GMB and UNISON. Consultation takes place with the trade unions on behalf of their members regarding revisions to policies and provides a forum for trade unions to raise any issues of concern to their members.

The Trust has an Above and Beyond scheme to acknowledge the contributions made by individuals over and above the normal requirement for their roles. The scheme asks Headteachers to nominate members of staff each term. Nominated staff are presented with a gift card and a personalised letter from the CEO recognising their contribution to the performance of the Trust. Photographs of the nominated employees are included in the MAT newsletter.

The Trust is an equal opportunities employer and consideration is given to disabled people's requirements during the applications process. Where an employee becomes disabled the Trust carries out occupational health reviews as appropriate and makes necessary adjustments to enable the employee to continue to undertake their role.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

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

The Trust regularly consults with stakeholders. As an education provider it is required to consult with all stakeholders, including parents, the Local Authority and the wider community, regarding admission criteria. In 2019-2020, the MAT has focussed on the creation of a consistent format for reporting its admission criteria to assist all stakeholders with understanding and interpreting admission requirements. The Central Team has liaised with and supported all its academies during the consultation process to ensure that this was as effective and efficient as possible.

Where schools are interested in the possibility of converting to become academies or other academies are interested in transferring into the Diocese of Southwell and Nottingham MAT, the Trust ensures that consultation takes place with the staff, parents and local community to ensure that they are aware of and understand the implications. During 2019-2020, such consultation took place in respect of St Mary's C of E Primary School, Edwinstowe, Haggonfields Primary and Nursery School and Hucknall National C of E Primary School. In respect of all church schools there is a requirement that the MAT also consults with the Diocese, which must give approval for a church school to join a MAT.

The Trust initiated a cycle of Governor Keeping in Touch, Accountability Panel and Full Governor meetings with the intention of making governance more effective and efficient while promoting wellbeing for both staff and governors. This ensures that governors are able to hold leaders to account through external advice from the Academy Improvement Advisor.

During the Covid 19 lockdown the Local Authority delegated the responsibility for making arrangements for the support between schools and academies in the Newark area to the CEO of the Trust. The CEO regularly consulted with Headteacher, staff and parents of all the schools and academies throughout the lockdown to ensure that everyone was reassured that the necessary processes and procedures were being put in place to safeguard the health of all concerned.

Objectives and activities

a. Objects and aims

The principle object and activity of the charitable company as stated in its Articles of Association is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

In accordance with the articles of association, the charitable company has entered into relevant funding agreements with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the academies, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

The main objects/aims of the trust during the year ended 31 August 2020 are summarised below:

- To express, both explicitly and implicitly, core Christian values such as responsibility, acceptance, truth and justice throughout our schools and academies and for these to be reflected in all aspects of the curriculum offered.
- To focus on the academic development of pupils with particular reference to Communication, Literacy, Numeracy and IT skills within a curriculum framework that also pays close attention to the personal development of pupils, their leadership and organisational skills, their understanding of citizenship, community involvement and forming a constructive relationship with the world of work.
- To develop pupils' abilities to make informed choices, solve problems and make decisions.
- To encourage a holistic approach to the development of pupils believing that each person is an individual made in the image of God and should therefore be supported to reach their full potential by receiving the very best education possible.
- To ensure that all pupils succeed and thrive in school by raising aspirations and tackling disadvantage.
- To provide strong support for operational needs to enable head teachers and their staff to focus on teaching and learning.

b. Objectives, strategies and activities

During 2019/20, two primary partner academies joined SNMAT. One of these is a small Church of England Primary school located in a village in central Nottinghamshire. The other is the first non-Church of England Academy to join the trust; this school was judged to be inadequate by Ofsted at a recent inspection and is now a sponsored academy; following a period of turbulent leadership, SNMAT are committed to ensuring a smooth journey towards becoming a much more effective setting.

Along with all other educational settings in the UK and beyond, the COVID-19 pandemic dominated the second half of the academic year. Remote learning was quickly and effectively up and running and all government guidelines were followed carefully. SNMAT re-opened to as many pupils as could be safely accommodated in June 2020. Preparations to open fully in the new academic year were in place quickly. Nottinghamshire LA asked SNMAT to lead the pandemic response in Newark and the surrounding area. This meant that an additional 19 schools were supported to remain open and assemble viable contingency plans during this period, with local secondary settings standing by the support primary colleagues where necessary. No schools in the Newark area closed to the children of key workers or disadvantaged pupils during this period.

Further expansion is planned in the coming year, with SNMAT moving into a new geographical area (Grantham) and receiving expressions of interest from a number of Church of England schools within Nottinghamshire.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

The impact of our work to raise standards was obfuscated by the pandemic in 2019-2020. Public examinations and nationally published data are the empirical measures that we turn to when looking for impact. In this case, we have had to look elsewhere:

- Remote learning was provided for all pupils at a very early stage of lockdown. By the start of the summer term, all partner academies were using IT to provide lessons and content for all year groups.
- The proportion of pupils accessing remote learning was high in SNMAT partner academies. This was up to 90% at the start of the summer term but dipped towards the end of the summer term for this year groups not in the academy.
- Parental engagement, monitored at an individual partner academy level, was high. This was consistently above 90%.
- SNMAT created and published a remote learning platform (Destination September) for pupils to access during the summer break. This was accessed 1,491 times over the summer break.
- Internal monitoring of quality in 2019-20 indicated that all partner academies were making progress against their individual improvement plans. The most recent sponsored academy (Haggonfields) was improving in terms of the quality of teaching (which was wholly inadequate on conversion) and on the quality and impact of leadership.

c. Public benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commissions general guidelines in public benefit. The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees considered how planned activities will contribute to the aims and objectives they have set. The Academy Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

Strategic report

Achievements and performance

a. Key performance indicators

The key performance indicators in schools and academies tend to be set in terms of Teaching and Learning rather than financial performance. These include outcomes of OFSTED inspections, results of Key Stage tests and national examinations benchmarked against similar schools and attendance data although increasingly emphasis is being placed on evaluation of the management of resources used to achieve these.

None of the academies in this Trusts were inspected by OFSTED during 2019-2020.

Performance at the Secondary Academies

Unfortunately, due to the Coronavirus pandemic, consequent lockdown from March through to August led to the Government decision for GCSE and A level examinations not to go ahead as planned. The performance data is therefore not an accurate reflection of how students may have performed.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Key Stage 4 and 5 outcomes

It is useful to note this comment from one of the Academy leaders,

"The results we achieved as a school cannot be analysed as in previous years and do not provide us with the usual comparative measures and reliability of national data".

	Key Stage 4							Key Stage 5		
	Attainment 8	Combined Progress 8	Maths Progress 8	English progress 8	Standards pass English and Maths	Higher level pass English and maths	Subjects that were particularly strong	Value added post 16 - KS5	Average grade /s	Subjects that were particularly strong
TSCA		0.24 (0.27 improvement from 2019)	0.05 (0.17 increase)	-0.38 (-0.53 2019)	55% (49% in 2019)	32% (23%) National 2019 - 41.22?	Drama, Dance, Art, (All), and PE	0.24 (-0.20 vs 2019) vocational courses has dipped to -0.53 Academic value added is 0.12	Average grade - C Average A-Level grade - C+	Dance, History, Further Maths and Biology. Art and Maths which gained 13 A* - A grades between them
Magnus		4.25, this show on average students achieve a pass grade. Disadvantaged A6 is 3.78 compared to Non 4.57 Male 4.24 and Female 4.27 Prior attainment banding; lower 3.36, middle 3.99 and Higher 5.46		National 2019= 43.2	54.5 % of students achieved a grade 4 in English and maths, up from 46.9% in 2019 This compares to 47.9% of disadvantaged students achieving this measure.				% A* - 86.6% (D* D) % A* - 76.5% B % A* - 95.5% C (D* A) % A* - 100% E (D* P)	

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

Performance at the Primary Academies

There is no performance data to report for the Primary academies for 2019-2020 due to the Coronavirus pandemic.

Attendance

The attendance outcomes were severely disrupted at a national level due to the COVID-19 pandemic. Correspondingly, we can report on the attendance data from September 2019 until 19 March 2020, after which school closure commenced:

Primary attendance across SNMAT during this period was 95.29%

Secondary attendance across this period was:

The Samworth Church Academy: 92.6%

Magnus C of E Academy: 94.8%

Financial Performance Indicators

Financial Key Performance Indicators measure the teacher contact ratio, pupil/teacher ratio, cost per pupil for different groups of staff the percentage of the total expenditure on leadership and management, the percentage of total costs and total income spent on staffing and the total income and expenditure per pupil. The table below shows the financial KPIs for the individual academies in the Trust.

Location	School type	Teacher Contact Ratio	Pupil /Teacher ratio	Teach cost per pupil	Other staff cost per pupil	Other staff costs per pupil	% Total total costs	Staff cost / Total costs	Staff costs / Total income	Total Cost per pupil	Total income per pupil	Staff/Income ratio	Non-Staffing / Teaching
FSP	PRIMARY	0.73	22.31	2,466	1,042	430	21%	73%	75%	3,278	3,191	75.4%	59.56%
HAR	PRIMARY	0.78	23.11	2,778	1,058	498	17%	81%	79%	4,614	4,726	82.1%	64.34%
JON	PRIMARY	0.81	25.51	2,037	716	574	9%	78%	77%	4,143	4,426	74.3%	64.32%
MAG	SECONDARY	0.77	16.35	3,567	1,015	850	9%	80%	80%	5,998	7,021	75.6%	51.13%
MSP	PRIMARY	0.78	22.20	2,214	1,180	483	10%	81%	76%	4,951	5,256	73.4%	74.20%
PRI	PRIMARY	0.77	21.37	2,997	1,717	413	15%	83%	84%	3,898	3,816	84.3%	79.00%
SAM	SECONDARY	0.77	15.68	2,979	897	596	8%	79%	78%	5,901	5,988	82.3%	51.47%
SEE	PRIMARY	0.71	18.87	2,778	770	472	23%	72%	69%	3,703	3,881	77.3%	44.71%
SSM	PRIMARY	0.77	26.13	2,043	799	486	15%	77%	72%	4,362	4,611	80.4%	57.34%
SWI	PRIMARY	0.73	18.64	2,697	827	740	22%	77%	74%	5,015	5,296	59.0%	58.09%
WWS	PRIMARY	0.81	14.77	2,777	1,361	496	10%	80%	75%	3,890	5,161	71.6%	56.87%

Value for money is demonstrated if the level of expenditure per pupil has produced test results, which are on target or have exceeded the target. It is usually accepted that staff costs should be about 75-80% of the total expenditure for a school. However, the figures above do not include the costs of staff who are not paid through SNMAT. In some cases, Executive Head teachers and Sencos work partially in SNMAT academies and partially in other schools by arrangement. Those schools are invoiced for their time at cost. The staffing profile, especially for small to medium size primary schools, also impacts on the overall staffing costs. The figures for St Mary's C of E Primary School Edwinstowe and Haggonfields Primary and Nursery School are not included as these are for a period of 9 months and 6 months respectively as the academies only joined the SNMAT on 1 December 2019 and 1 February 2020.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and after making appropriate enquiries, have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust continues to grow which enables it to support itself during times such as the recent/current pandemic, in which the academies are suffering minimal detriment throughout the continuing situation. The academies have good reputations in their local communities as they aim to meet the needs of their stakeholders. Support provided by the Trust to maintained schools in the local area during the pandemic has enhanced the Trust's reputation and led to interest from other schools in joining the Trust. This, together with careful financial management, has resulted in the Trust having a positive reserve position. It is for these reasons in which the Trustees have concluded there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

c. Promoting the success of the company

The Board of Directors gives due consideration to the implications of Section 172 reporting during the discussions at its meetings. Any strategic discussions take into consideration the consequences of long term decision making, the interests of its employees, the impact of operations on its stakeholders and the environment, the reputation of the Trust and the need to act fairly. These are included in the assessment of risks in the Trust risk register. Examples of this is 2019-2020 are:

- through the response to the management across the academies in respect of Coronavirus, through collaboration with senior leaders within SNMAT, the local authority and school communities.
- through the communications with the academies of another Trust, the Diocese of Lincoln and the DFE regarding the possibility of those academies transferring to the Diocese of Southwell and Nottingham MAT;
- discussion about the consultation process with Heads and LGBs regarding the Estates Management strategy;
- consulting with Newark & Sherwood District Council regarding the synthetic pitch at Magnus;

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review

a. Reserves policy

The majority of the Academy Trust's income is obtained from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, which are restricted for particular purposes.

The Trustees have reviewed the reserves of the Trust. This review encompasses the nature of income and expenditure streams, the need to match them with commitments, the future cost of possible redundancies and the nature of reserves.

The Trustees keep the level of central reserves under review and it was agreed that in 2018-2019 the supporting and supported academies would be recharged 4% of the GAG, instead of being given a rebate at the end of the year. Sponsored academies would continue to be recharged 5% to cover their enhanced package of support. The Trust aims to retain centrally held reserves to cover 3 months of central operating expenses plus a £50,000 allowance to enable the central MAT to assist any academy in difficulties and another £50,000 allowance to support MAT growth. This policy regarding central reserves continued in place during 2019-2020. However, the Trust extended its reserves policy to include having a consolidated MAT revenue reserve of 5% of its total restricted and unrestricted income. The total revenue income for the consolidated MAT was £24,396,880, 5% of which would be £1,219,844.

A surplus or deficit position of the pension scheme generally results in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. The pension deficit at 31 August 2020 was £19,529,000.

The total funds balance at 31 August 2020 is £22,515,286, of which £40,279,957 is the restricted fixed asset fund not available for general purposes.

The 2019-2020 in year revenue surplus of £362,486 increased the revenue reserves from £1,401,843 to £1,764,329. The £1,764,329 of restricted general funds (excluding pension fund) and unrestricted funds is 7.2% of the Trust's total income in 2019-2020. This will cover:

- Higher costs due to lagged funding for increasing pupil numbers at some academies;
- Reduced income due to dip in pupil numbers in some of the academies;
- higher staffing costs as a result of a 2.75% pay increase for teaching staff and for support staff ;
- the cost of any redundancies that may arise as a result of any future restructure;
- unsustainable staff costs prior to anticipated natural wastage; and
- growing central MAT staffing to build capacity as the SNMAT grows.

b. Investment policy

The MAT does not hold any long term investments. Any cash surpluses remain within the academy's bank account to ensure an even cash flow across the year. The Business Director will be in discussion with the bank's Business Relationship Manager regarding opportunities for obtaining a higher level of interest on surplus balances in 2020-2021.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review (continued)

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the academies in the MAT are exposed, in particular those related to the operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The MAT's exposure to financial risks is minimal, due to the fact that the financial instruments dealt with are largely bank balances, cash and trade creditors, with limited trade and other debtors. There is a deficit within the Local Government Pension Scheme, as described in note 26 to the financial statements but this is subject to periodic actuarial review and regulatory monitoring by Trustees and is not expected to crystallise in the accounts.

There are two principle risks and uncertainties relating to the MAT.

The future level of funding of education is uncertain in the current economic climate. This is mainly outside the control of the Trustees, but they engage with the Department for Education when opportunities arise. The Trustees also set prudent budgets and review staffing structures and curriculum models to ensure the Academies within the Trust are reactive to the changing funding levels.

The finances of the Trust are also highly sensitive to pupil numbers. At Magnus C of E Academy pupil numbers are now recovering following an initial dip following the increased competition risk from the opening of a free school in Newark and the appointment of a new sponsor for The Newark Academy. At the other secondary academy, The Samworth Church Academy post 16 numbers were considerably lower in 2019-2020 but these are increasing again in 2020-2021. Pupil numbers at most of the primary academies are stable. There was an initial dip in numbers at William Gladstone in 2018-2019 but numbers started to recover in 2019-2020. However, the smallest of the primary schools in the Trust, Burntstump Seely, St Swithun's, St Mary's Edwinstowe and Haggonfields are also highly sensitive to any decrease in pupil numbers.

The increase in the employers' contribution to the teachers' pension scheme and the higher than anticipated increases in teachers' pay continue to present uncertainty around medium to long term finances and the triennial revaluation of the LGPS has resulted in an increase in the Trust's pension liabilities although this, would not crystallise in the accounts. However, the greatest uncertainty in 2019-2020 has been created by the Covid 19 pandemic which will continue to change the ways the academies work in 2020-2021.

We are aware that the uncertainty currently surrounding Brexit could potentially impact our operations, service users and suppliers. We are reviewing and monitoring the impact of this on an ongoing basis.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Fundraising

The academies in the Trust carry out very low levels of fundraising, which include activities for pupils to raise money for other charities and school fairs/fetes or other similar activities. Commercial participators/professional fundraisers are not involved with these activities. Fundraising activities conform to recognised standards, no one is put under undue pressure to donate and, as far as the Trust is aware, there have been no complaints regarding any of the fundraising activities carried out.

Streamlined energy and carbon reporting

UK Greenhouse Gas Emissions and Energy Use Data for the Period 1 September 2019 - 31 August 2020	
Energy Consumption Used to Calculate Emissions (kWh)	3,746,094.9
Energy Consumption Breakdown (KWh)	
gas	2,734,189
electricity	1,769,562
transport fuel	18,335.21
Scope 1 emissions in metric tonnes CO ₂ e	
Gas Consumption	438.15026
Owned Transport - minibuses	4.4225739
Total Scope 1	442.57283
Scope 2 emissions in metric tonnes CO ₂ e	
Purchased electricity	412.55568
Scope 3 emissions in metric tonnes CO ₂ e	
Business travel in employee owned vehicles	1.0646323
Total Gross emissions in metric tonnes CO ₂ e	856.19315
Intensity ration Tonnes CO ₂ e per pupil	2.7094269

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environment Reporting Guidelines. We have also used the GHG Reporting Protocol; - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings to reduce the need for travel between sites.

Plans for future periods

Current changes in the educational landscape, which are driven by government policy, and the advent of the Coronavirus make predicting the future difficult and future plans a challenge. However, the core business of improving teaching and learning will remain a constant and financial and institutional planning will remain firmly in focus for the coming year. There are plans to continue to grow the Multi Academy Trust in 2020-2021 with plans for a small MAT to transfer to SNMAT on 1 December 2020. This will take the total number of academies in the Trust to 16. The aim is for all academies in the MAT to be well led and for all academies to become organisations that can drive their own continual improvement.

Funds held as custodian on behalf of others

The Trust holds the Post 16 Bursary grants from the DfE on behalf of eligible pupils at the two secondary academies in the Trust. These are segregated in the financial management system under a specific ledger code and cost centre. The total funds held as a custodian trustee on behalf of others totalled £21,301 in 2019-2020.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Auditor

Insofar as the trustees are aware:

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

The auditors, Mazars LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re appointing the auditors at a meeting of the Trustees.

The trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 8th Dec 2020 and signed on its behalf by:

Phil Blinston
Phil Blinston - Dec 8, 2020 15:08 GMT

Phillip Blinston
Chair of Trustees

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Diocese of Southwell and Nottingham 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Diocese of Southwell and Nottingham 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 9 times during the year.

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

Trustee	Meetings attended	Out of a possible
Philip Blinston	9	9
Hilary Craik	8	9
Ian Griffiths	8	9
John Hunter	8	9
Claire Meese (resigned 19 December 2019)	0	3
Chris Moodie	9	9
Angela Pae	9	9
Roger Periam	6	9

During 2019-2020 Claire Meese left the Board following her departure from her substantive post as the Diocesan Director for Education. The Board has invited the new Diocesan Director for Education to become a Trustee in her place in 2020-2021. The small number of Trustees can present challenges in terms of the increasing level of commitment for all the Directors as the Trust increases in size.

In 2018, SNMAT launched its 're-thinking governance' project, designed to evaluate and structure governance in a simple and effective way across the MAT. This has seen strategic and operational changes to governance at both academy and board level.

Work on establishing effective governance arrangements at local board level continued in line with the MAT's scheme of delegation and a full Board level continued in 2019-2020. The structure for termly agendas is in place, key link governor roles are defined along with protocols for governor visits and a framework for Governor Accountability panels have been set up. The board held a development day on 3 May 2019, part of which included a review of governance in respect of the structure of board meetings and committees and their effectiveness. This resulted in changes for 2019/20 to the board meeting structure, with the addition of a Finance focussed Task Group and the introduction of a new board reporting mechanism.

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

This focus on governance will continue during 2020-2021 with the Board embedding a different way of working that will involve more full Board meetings with supporting working groups. The board had planned to hold a Review and Development Day on 23 April 2020 but this was postponed due to the impact of the Covid pandemic. In May 2020 the board evaluated the effectiveness of the changes and agreed to continue with a similar format for 2020/21, with a focus on further development of board reporting. This is due to continuing growth in the number of academies joining SNMAT and balancing the requirement to report effectively at a high level upon each. The postponed Development Day will be re-arranged for Spring 2021.

In 2020-2021 the full Board will return to meeting 6 times a year, with 3 of these meetings focusing specifically on finance. This gives all trustees an opportunity to be more informed about finance. An Audit Committee and separate Finance Task Group have replaced the former finance committee. The Audit Committee has a tighter remit review the effectiveness of financial internal controls, risk management and external audit. The Finance Task Group quality assures the management accounts in those periods in which the focus of the Board is on matters other than finance.

The Audit Committee met 3 times during the period and attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Angela Pae	2	3
Roger Periam	1	3

Another Director will be recruited to join the Audit Committee in 2020-21. The Business Director and CEO are in attendance at these meetings.

Review of value for money

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

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

- Ensuring that the level of service provided by suppliers is of a satisfactory standard. During 2019-2020 the Central Trust conducted a procurement exercises to check that its providers of asbestos management services, continued to provide value for money. A procurement exercise was also carried out to appoint an internal auditor;
- Ensuring that school improvement solutions are appropriate and fit for purpose and, where possible brokered on a reciprocal school to school basis that reduces the cost and provides more effective solutions for the academies as for example one of the Head teachers has become Executive Head across one of the academies in the Trust and a school which was due to convert and join SNMAT in 2019-2020 but now will not do so due to circumstances outside the control of the Trust and the school
- Reviewing the completed school resource management self evaluation tool for all academies in the Trust to ensure that the primary academies were fully informed regarding integrated curriculum financial planning;
- Ensuring that some supplies and services are procured centrally giving economies of scale in terms of costs. In 2019-2020 this include the procurement of GDPR training, 5 Year Fixed Electrical Testing and Tree surveys.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- Centralising the bank account and processing of invoices in order to make financial processes and procedures more efficient and ensure they are followed consistently. This gives the Business/Office Managers in the academies the opportunity to be proactive rather than reactive in their management of their academy resources.

As other academies join the MAT and it grows in size it will become eligible for greater economies of scale for the purchase of some goods and services.

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 Diocese of Southwell and Nottingham Multi-Academy Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 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 and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Trust has moved to a single bank account and centralised invoicing in order to increase control now that Trust has grown.

The board of Trustees has appointed Forrester Boyd as it's new internal auditor now that it is no longer permissible for additional checks to be carried out by the external auditor as was previously the case. Forrester Boyd's role includes giving advice on financial and other matters and performing a range of checks on the academy's financial and other systems. In particular the checks carried out in the current period included a focused programme of internal control testing, based on the "Responsible Officer" testing programmes from the 2006 Academies Financial Handbook including testing of purchasing procedures and high level governance controls.

The internal auditor reports to the Board of Trustees through its audit committee 3 times per annum 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 audit programme had been planned to take place towards the end of the Spring term but alternative arrangements had to be made due to the coronavirus lockdown. A programme of work was drawn up that could be carried out remotely but there was a delay in the completion of the programme of the work as a consequence and the summary report was reviewed by the Audit Committee in the Autumn Term 2020-21. Only 2 key concerns were identified around listing Trustees who have resigned during the previous 12 months needing to be listed on the website and Get Information About Schools not being sufficiently up to date at Local Governing Body level. Both these concerns have already been addressed.

Review of effectiveness

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

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

Phil Blinston
Phil Blinston (On 8 Dec 2020)

Phillip Blinston
Chair of Trustees

Date: 8th Dec 2020

c moodie
Chris Moodie (On 8 Dec 2020)

Chris Moodie
Accounting Officer

Date: 8.12.2020

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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


c:moodie | Doc 3, 2020 15:23 GMT

Chris Moodie
Accounting Officer

Date: 8.12.2020

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

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

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

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

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

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

Phil Blinston

Phil Blinston on Dec 8, 2020 12:00:11

Phillip Blinston
Chair of Trustees

Date: 8th Dec 2020

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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 Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST (CONTINUED)**

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. Other information includes the Reference and administrative details, the Trustees' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST (CONTINUED)**

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement on page 24, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

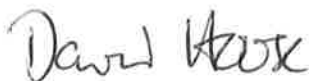
Auditor's responsibilities for the audit of the financial statements

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.

Use of the audit report

This report is made solely to the Academy Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



David Hoose (Senior Statutory Auditor)
for and on behalf of
Mazars LLP

Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 9th DECEMBER 2020

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 8 September 2020 and further to the requirements of the Education and Skills Funding Agency ('the 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 Diocese of Southwell and Nottingham Multi-Academy Trust during the year 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 Diocese of Southwell and Nottingham 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 Diocese of Southwell and Nottingham 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 Diocese of Southwell and Nottingham Multi-Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Diocese of Southwell and Nottingham Multi-Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Diocese of Southwell and Nottingham Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2014 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 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 the 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:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

Mazars LLP

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: *9th DECEMBER 2020*

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		17,521	(699,000)	1,321,186	639,707	(534,756)
Transfer from existing academies		(1,547)	-	-	(1,547)	25,781,920
Other donations and capital grants		121,546	-	987,975	1,109,521	(2,184,324)
Charitable activities	4	-	21,800,295	-	21,800,295	18,338,735
Other trading activities	5	658,563	188,990	-	847,553	1,136,187
Investments	6	1,351	-	-	1,351	1,399
Total income		797,434	21,290,285	2,309,161	24,396,880	42,539,161
Expenditure on:						
Charitable activities	7	224,856	23,702,446	1,153,555	25,080,857	21,731,542
Total expenditure		224,856	23,702,446	1,153,555	25,080,857	21,731,542
Net (expenditure)/ income		572,578	(2,412,161)	1,155,606	(683,977)	20,807,619

DIocese of Southwell and Nottingham Multi-Academy Trust
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Net (expenditure)/ income brought forward	572,578	(2,412,161)	1,155,606	(683,977)	20,807,619
Transfers between funds	18 (1,862,207)	1,756,276	105,931	-	-
Net movement in funds before other recognised losses	(1,289,629)	(655,885)	1,261,537	(683,977)	20,807,619
Other recognised losses:					
Actuarial losses on defined benefit pension schemes	26 -	(3,818,000)	-	(3,818,000)	(3,144,000)
Net movement in funds	(1,289,629)	(4,473,885)	1,261,537	(4,501,977)	17,663,619
Reconciliation of funds:					
Total funds brought forward	1,676,649	(13,677,806)	39,018,420	27,017,263	9,353,644
Net movement in funds	(1,289,629)	(4,473,885)	1,261,537	(4,501,977)	17,663,619
Total funds carried forward	387,020	(18,151,691)	40,279,957	22,515,286	27,017,263

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08738949

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	39,680,536	38,856,653
		<u>39,680,536</u>	<u>38,856,653</u>
Current assets			
Stocks	15	26,537	42,455
Debtors	16	1,077,099	846,977
Cash at bank and in hand	22	3,199,468	2,252,403
		<u>4,303,104</u>	<u>3,141,835</u>
Liabilities			
Creditors: Amounts falling due within one year	17	(1,939,354)	(1,578,225)
		<u>2,363,750</u>	<u>1,563,610</u>
Net current assets			
		<u>42,044,286</u>	<u>40,420,263</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	26	(19,529,000)	(13,403,000)
		<u>22,515,286</u>	<u>27,017,263</u>
Total net assets			
		<u><u>22,515,286</u></u>	<u><u>27,017,263</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	40,279,957	39,018,420
Restricted income funds	18	1,377,309	(274,806)
		<u>41,657,266</u>	<u>38,743,614</u>
Restricted funds excluding pension liability	18	41,657,266	38,743,614
Pension reserve	18	(19,529,000)	(13,403,000)
		<u>22,128,266</u>	<u>25,340,614</u>
Total restricted funds	18		
Unrestricted income funds	18	387,020	1,676,649
		<u>22,515,286</u>	<u>27,017,263</u>
Total funds			
		<u><u>22,515,286</u></u>	<u><u>27,017,263</u></u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08738949

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 30 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Phil Blinston

Phil Blinston | Dec 5, 2020 15:00 GMT

Phillip Blinston
Chair of Trustees

Date: 8th Dec 2020

The notes on pages 35 to 66 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	398,502	133,404
Cash flows from investing activities	21	548,563	(194,828)
Change in cash and cash equivalents in the year		947,065	(61,424)
Cash and cash equivalents at the beginning of the year		2,252,403	2,313,827
Cash and cash equivalents at the end of the year	22, 23	<u>3,199,468</u>	<u>2,252,403</u>

The notes on pages 35 to 66 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

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.

1.1 Basis of preparation of financial statements

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

Diocese of Southwell and Nottingham Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

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

• **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy 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 Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Leasehold buildings	- over 50 years
Leasehold land	- over the term of the lease
Multi use games area	- over 8 years, being residual life on conversion
Computer equipment	- over 3 years
Fixtures, fittings and equipment	- over 5 years
Longer life fixtures and fittings	- over 10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

Land and buildings held by the Diocesan Trust & Board of Finance Limited on trust and made available to the academies are not included on the balance sheet. The Multi Academy Trust does not own any of these premises. The land and buildings are made available to the schools by a Church Supplemental Agreement. The site Trustees can withdraw the land and buildings at any time on two years notice. The Multi Academy Trust cannot sell the land and buildings or mortgage it as security for any borrowing. The economic benefit to the Multi Academy Trust is that it does have the use of the site for £NIL consideration, but only for the use as a church school. The risks and rewards of ownership have not been passed to the Multi Academy Trust and therefore no value has been attributed to the land and buildings at 31 August 2020.

Land leased to the academies by the Local Authority is included under 'long leasehold property' at the value attributed to them by the Education Funding Agency, net of depreciation.

1.6 Liabilities

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

1.7 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.11 Pensions

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

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

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

The Academy Trust contributes to personal pension plans.

1.12 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 30.

1.13 Fund accounting

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

When new schools convert to academy status and join the Academy Trust, the Academy Trust makes an initial estimate in respect of the valuation of the land and buildings (where buildings are not occupied under Church Supplemental Agreement) being recognised upon conversion. These estimates are calculated using available valuation information from previous conversions of similar locations and calculated on a depreciated replacement cost basis. Subsequently, formal ESFA valuations are obtained and the asset valuations are updated accordingly.

Critical areas of judgement:

At 9 of the trust's academies, the charitable company occupies the buildings under a Church Supplemental Agreement which includes a two year break clause, thus judgement has been applied in determining that these buildings should not be recognised on the balance sheet.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Transfer from local authority on conversion	17,521	(699,000)	1,321,186	639,707	(534,756)
Transfer from existing academies	(1,547)	-	-	(1,547)	22,749,415
Capital grants	-	-	987,975	987,975	624,917
Other donations	121,546	-	-	121,546	223,264
Total 2020	137,520	(699,000)	2,309,161	1,747,681	23,062,840
Total 2019	275,759	(3,085,000)	25,872,081	23,062,840	

Within transfers from existing academies there is a decrease to income of £1,547 in relation to the de-recognition of a bank account that was brought across on transfer into the Academy Trust.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Academy Trust's educational operations

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	17,373,296	17,373,296	15,460,055
Start Up Grant	-	-	39,013
Other DfE Group grants	2,875,156	2,875,156	1,780,654
	<u>20,248,452</u>	<u>20,248,452</u>	<u>17,279,722</u>
Other government grants			
Local authority grants	1,430,798	1,430,798	1,059,013
	<u>1,430,798</u>	<u>1,430,798</u>	<u>1,059,013</u>
Exceptional government funding			
Coronavirus Job Retention Scheme grant	70,669	70,669	-
Coronavirus exceptional support	50,376	50,376	-
Total 2020	<u><u>21,800,295</u></u>	<u><u>21,800,295</u></u>	<u><u>18,338,735</u></u>
Total 2019	<u><u>18,338,735</u></u>	<u><u>18,338,735</u></u>	

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

The funding received for coronavirus exceptional support covers £50,376 of cleaning, premise and free school meal costs. These costs are included in notes 7 and 8 below as appropriate.

The Academy Trust furloughed some of its catering, premise, after school club and music tutoring staff under the government's CJRS. The funding received of £70,669 relates to staff costs in respect of 32 staff which are included within note 10 below as appropriate.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Hire of facilities	57,758	-	57,758	105,941
Income from other charities activities	493,993	188,990	682,983	925,968
Income from ancillary trading activities	106,812	-	106,812	104,278
Total 2020	658,563	188,990	847,553	1,136,187
Total 2019	772,887	363,300	1,136,187	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	1,351	1,351	1,399
Total 2019	1,399	1,399	

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Academy Trust's educational operations:					
Direct costs	15,304,440	-	1,642,831	16,947,271	15,027,777
Allocated support costs	4,417,884	1,375,848	2,339,854	8,133,586	6,703,765
Total 2020	<u><u>19,722,324</u></u>	<u><u>1,375,848</u></u>	<u><u>3,982,685</u></u>	<u><u>25,080,857</u></u>	<u><u>21,731,542</u></u>
Total 2019	<u><u>16,595,443</u></u>	<u><u>1,057,014</u></u>	<u><u>4,079,085</u></u>	<u><u>21,731,542</u></u>	

8. Charitable activities

	2020 £	2019 £
Direct costs - educational operations	16,947,271	15,027,777
Support costs - educational operations	8,133,586	6,703,765
Total	<u><u>25,080,857</u></u>	<u><u>21,731,542</u></u>
	2020 £	2019 £
Analysis of support costs		
Support staff costs	4,417,884	3,469,908
Depreciation	954,040	778,678
Technology costs	192,602	220,567
Premises costs	1,375,848	1,057,014
Other support costs	920,039	965,511
Governance costs	273,173	212,087
Total	<u><u>8,133,586</u></u>	<u><u>6,703,765</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Net (expenditure)/income for the period includes:

Net (expenditure)/income for the year includes:

	2020	2019
	£	£
Operating lease rentals	81,931	42,587
Depreciation of tangible fixed assets	954,040	778,678
Fees paid to auditor for:		
- audit	18,250	17,900
- other services	9,350	14,305
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	13,691,979	11,859,020
Social security costs	1,261,426	1,119,713
Pension costs	4,484,788	3,187,464
	<u> </u>	<u> </u>
	19,438,193	16,166,197
Agency staff costs	266,644	429,246
Staff restructuring costs	17,487	-
	<u> </u>	<u> </u>
	19,722,324	16,595,443
	<u> </u>	<u> </u>

Staff restructuring costs comprise:

Severance payments	<u> </u>	<u> </u>
	17,487	-

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,500 (2019 - £Nil). Individually the payments were £11,500.

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10. Staff (continued)

c. Staff numbers

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

	2020	2019
	No.	No.
Teachers	214	193
Administration and support	360	216
Management	43	34
	<u>617</u>	<u>443</u>

d. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	11	7
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	2	3
In the band £100,001 - £110,000	1	1
	<u>16</u>	<u>12</u>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,467,284 (2019 - £1,418,002).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- health and safety;
- facilities management support; and
- contributions to the TU facilities fund.

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

Academies on supporting and supported schemes of delegation have been re-charged 4% of their GAG income not including Pupil Premium as their contribution to central services. Academies on the sponsored scheme of delegation have been recharged 5%. It has been agreed that newly converted academies and those just joining SNMAT will be charged 3.5% for their first year. The Central Reserves Policy is that there should be sufficient to cover at least 3 months operating expenses plus £50,000 for MAT growth (ie to cover the 0.5% reduction in the recharge in the first year) and £50,000 to be able to support an academy in difficulty.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
Magnus Church of England Academy	140,939	169,251
Harworth Church of England Academy	30,845	30,498
St. Mary Magdalene Church of England Academy	31,087	30,871
St. John's Church of England Academy	57,507	58,309
St Peter's Crosskeys Church of England Academy	29,464	28,180
Worksop Priory Church of England Academy	35,035	34,636
Burntstump Seely Church of England Academy	22,117	21,058
The William Gladstone Church of England Academy	66,696	-
St Peters C of E Primary Academy Mansfield	50,775	49,673
St Swithun's C of E Primary Academy	24,070	25,260
The Samworth Church Academy	215,022	149,965
St Mary's C of E Primary School Edwinstowe	11,226	-
Haggonfields Primary School	12,966	-
Total	<u>727,749</u>	<u>597,701</u>

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FOR THE YEAR ENDED 31 AUGUST 2020

12. Related Party Transactions - Trustees' remuneration and expenses

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

		2020	2019
		£'000	£'000
Chris Moodie	Remuneration	105 - 110	100 - 105
	Pension contributions paid	25 - 30	15 - 20

During the period ended 31 August 2020, travel and subsistence expenses totalling £1,560 were reimbursed or paid directly to 1 Trustee (2019 - £1,888 to 1 Trustee).

13. Trustees' and Officers' insurance

The Multi Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000. It is not possible to quantify the Trustees' and Officers' indemnity element from the overall cost of the RPA scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

14. Tangible fixed assets

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost or valuation						
At 1 September 2019	39,639,923	793,393	599,594	68,725	198,708	41,300,343
Additions	162,539	211,667	82,531	-	-	456,737
Acquisitions	1,321,186	-	-	-	-	1,321,186
Transfers between classes	198,708	-	-	-	(198,708)	-
At 31 August 2020	<u>41,322,356</u>	<u>1,005,060</u>	<u>682,125</u>	<u>68,725</u>	<u>-</u>	<u>43,078,266</u>
Depreciation						
At 1 September 2019	1,565,502	404,000	448,371	25,817	-	2,443,690
Charge for the year	750,458	104,585	86,563	12,434	-	954,040
At 31 August 2020	<u>2,315,960</u>	<u>508,585</u>	<u>534,934</u>	<u>38,251</u>	<u>-</u>	<u>3,397,730</u>
Net book value						
At 31 August 2020	<u>39,006,396</u>	<u>496,475</u>	<u>147,191</u>	<u>30,474</u>	<u>-</u>	<u>39,680,536</u>
At 31 August 2019	<u>38,074,421</u>	<u>389,393</u>	<u>151,223</u>	<u>42,908</u>	<u>198,708</u>	<u>38,856,653</u>

Included within land and buildings is leasehold land at valuation of £5,889,497 (2019 - £5,503,311).

15. Stocks

	2020 £	2019 £
Finished goods and goods for resale	<u>26,537</u>	<u>42,455</u>

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NOTES TO THE FINANCIAL STATEMENTS
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16. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	263,400	158,447
VAT recoverable	59,984	47,611
Other debtors	513,831	471,300
Prepayments and accrued income	239,884	169,619
	<u>1,077,099</u>	<u>846,977</u>

17. Creditors: Amounts falling due within one year

	2020	2019
	£	£
Trade creditors	404,596	276,488
Other taxation and social security	302,913	283,573
Other creditors	519,730	241,528
Accruals and deferred income	712,115	776,636
	<u>1,939,354</u>	<u>1,578,225</u>

	2020	2019
	£	£
Deferred income		
Deferred income at 1 September 2019	573,131	609,603
Resources deferred during the year	453,826	573,431
Amounts released from previous years	(573,131)	(609,903)
Deferred income at 31 August 2020	<u>453,826</u>	<u>573,131</u>

At the balance sheet date the academy trust was holding funds received in advance as follows:

- £19,407 Conversion Grants
- £63,978 Rates Relief
- £147,277 SEN Funding
- £167,288 Universal Infant School Meals
- £31,647 Academy Visits
- £24,229 Other

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General funds	1,676,649	797,434	(224,856)	(1,862,207)	-	387,020
Restricted general funds						
General Annual Grant (GAG)	(274,806)	17,373,296	(17,477,457)	1,756,276	-	1,377,309
Pupil premium	-	1,108,613	(1,108,613)	-	-	-
Other grants	-	3,507,376	(3,507,376)	-	-	-
Pension reserve	(13,403,000)	(699,000)	(1,609,000)	-	(3,818,000)	(19,529,000)
	<u>(13,677,806)</u>	<u>21,290,285</u>	<u>(23,702,446)</u>	<u>1,756,276</u>	<u>(3,818,000)</u>	<u>(18,151,691)</u>
Restricted fixed asset funds						
Devolved Formula Capital	514,257	107,663	(14,638)	-	-	607,282
Donations	37,342,733	1,321,186	(910,088)	-	-	37,753,831
Other DfE Capital Grant	858,879	880,312	(221,707)	-	-	1,517,484
Capital expenditure from GAG	302,551	-	(7,122)	105,931	-	401,360
	<u>39,018,420</u>	<u>2,309,161</u>	<u>(1,153,555)</u>	<u>105,931</u>	<u>-</u>	<u>40,279,957</u>
Total Restricted funds	<u>25,340,614</u>	<u>23,599,446</u>	<u>(24,856,001)</u>	<u>1,862,207</u>	<u>(3,818,000)</u>	<u>22,128,266</u>
Total funds	<u><u>27,017,263</u></u>	<u><u>24,396,880</u></u>	<u><u>(25,080,857)</u></u>	<u><u>-</u></u>	<u><u>(3,818,000)</u></u>	<u><u>22,515,286</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the movements on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Transfers from restricted funds to restricted fixed asset funds represent GAG funds used in relation to capital expenditure.

Transfers from unrestricted funds to restricted funds represent unrestricted funds utilised to cover restricted general funds deficits.

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Magnus C of E Academy	210,669	233,664
Harworth C of E Academy	153,183	138,185
St Mary Magdalene C of E Primary School	232,739	191,397
St John's C of E Academy	185,238	171,748
St Peters Crosskeys C of E Academy	100,660	112,024
Worksop Priory C of E Primary Academy	101,185	117,693
Burntstump Seely C of E Primary Academy	42,561	27,804
The William Gladstone C of E Primary Academy	30,290	(37,792)
St Peters C of E Primary Academy Mansfield	213,961	145,227
St Swithun's C of E Primary Academy	78,545	52,298
The Samworth Church Academy	143,208	32,816
St Mary's C of E Primary School Edwinstowe	38,295	-
Haggonsfields Primary School	17,381	-
Central MAT	216,414	216,779
Total before fixed asset funds and pension reserve	1,764,329	1,401,843
Restricted fixed asset fund	40,279,957	39,018,420
Pension reserve	(19,529,000)	(13,403,000)
Total	22,515,286	27,017,263

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18. Statement of 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 £
Magnus C of E Academy	3,161,430	944,340	328,813	450,203	4,884,786	4,162,615
Harworth C of E Academy	657,258	146,127	57,506	79,087	939,978	862,240
St Mary Magdalene C of E Primary School	598,231	165,598	69,136	111,506	944,471	821,781
St John's C of E Academy	1,235,539	357,846	166,062	226,081	1,985,528	1,843,492
St Peters Crosskeys C of E Academy	661,723	147,757	68,241	151,594	1,029,315	919,359
Workshop Priory C of E Primary Academy	1,054,876	211,706	67,557	126,074	1,460,213	1,227,823
Burntstump Seely C of E Primary Academy	351,052	71,027	47,238	87,124	557,241	525,516
The William Gladstone C of E Primary Academy	1,083,921	238,346	90,519	145,242	1,558,028	1,571,865
St Peters C of E Primary Academy Mansfield	926,592	230,540	81,849	111,515	1,350,496	1,274,929
St Swithun's C of E Primary Academy	430,424	123,700	30,765	116,019	700,908	637,848
The Samworth Church Academy	4,495,652	1,186,430	575,877	622,784	6,880,743	5,062,291
St Mary's C of E Primary School Edwinstowe	292,233	76,206	19,139	46,652	434,230	-
Haggonsfields Primary School	208,080	85,664	11,023	29,872	334,639	-
Central MAT	147,429	431,797	29,107	457,908	1,066,241	762,105
Academy Trust	15,304,440	4,417,884	1,642,832	2,761,661	24,126,817	19,671,864

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	1,222,201	1,050,045	(123,137)	(472,460)	-	1,676,649
Restricted general funds						
General Annual Grant (GAG)	359,324	15,460,055	(16,305,747)	211,562	-	(274,806)
Start up grants	-	39,013	(39,013)	-	-	-
Pupil premium	-	1,070,184	(1,070,184)	-	-	-
Other grants	-	2,132,783	(2,132,783)	-	-	-
Pension reserve	(5,892,000)	(3,085,000)	(1,282,000)	-	(3,144,000)	(13,403,000)
	(5,532,676)	15,617,035	(20,829,727)	211,562	(3,144,000)	(13,677,806)
Restricted fixed asset funds						
Devolved Formula Capital	282,884	284,162	(11,136)	(41,653)	-	514,257
Donations	12,840,920	25,247,164	(745,351)	-	-	37,342,733
Other DfE Capital Grant	540,315	340,755	(22,191)	-	-	858,879
Capital expenditure from GAG	-	-	-	302,551	-	302,551
	13,664,119	25,872,081	(778,678)	260,898	-	39,018,420
Total Restricted funds	8,131,443	41,489,116	(21,608,405)	472,460	(3,144,000)	25,340,614
Total funds	9,353,644	42,539,161	(21,731,542)	-	(3,144,000)	27,017,263

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19. Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	39,680,536	39,680,536
Current assets	387,020	3,316,663	599,421	4,303,104
Creditors due within one year	-	(1,939,354)	-	(1,939,354)
Provisions for liabilities and charges	-	(19,529,000)	-	(19,529,000)
Total	<u>387,020</u>	<u>(18,151,691)</u>	<u>40,279,957</u>	<u>22,515,286</u>

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	38,856,653	38,856,653
Current assets	1,676,649	1,303,419	161,767	3,141,835
Creditors due within one year	-	(1,578,225)	-	(1,578,225)
Provisions for liabilities and charges	-	(13,403,000)	-	(13,403,000)
Total	<u>1,676,649</u>	<u>(13,677,806)</u>	<u>39,018,420</u>	<u>27,017,263</u>

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20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2020	2019
	£	£
Net (expenditure)/income for the period (as per statement of financial activities)	(683,977)	20,807,619
Adjustments for:		
Depreciation	954,040	778,678
Capital grants from DfE and other capital income	(987,975)	(624,917)
Interest receivable	(1,351)	(1,399)
Decrease/(increase) in stocks	15,918	(42,455)
Increase in debtors	(230,122)	(443,050)
Increase in creditors	361,129	591,587
FRS 102 pension obligation inherited	699,000	3,085,000
FRS 102 pension costs	1,609,000	1,282,000
Surplus on conversion/transfer from existing academies	(15,974)	(52,495)
Donated assets	(1,321,186)	(25,247,164)
Net cash provided by operating activities	398,502	133,404

21. Cash flows from investing activities

	2020	2019
	£	£
Interest receivable	1,351	1,399
Purchase of tangible fixed assets	(456,737)	(873,639)
Capital grants from DfE Group	987,975	624,917
Cash transferred on conversion to an academy trust	15,974	52,495
Net cash provided by/(used in) investing activities	548,563	(194,828)

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22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	3,199,468	2,252,403

23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Transfer from local authority on conversion £	At 31 August 2020 £
Cash at bank and in hand	2,252,403	929,544	17,521	3,199,468

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24. Conversion to an academy trust

On 1 December 2019 St Mary's C of E Primary School Edwinstowe converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Diocese of Southwell and Nottingham Multi-Academy Trust from Nottinghamshire County Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	4,260	4,260
Current assets				
Cash - representing budget surplus on LA funds	9,711	-	-	9,711
Non-current liabilities				
LGPS pension surplus / (deficit)	-	(271,000)	-	(271,000)
Net assets/(liabilities)	<u>9,711</u>	<u>(271,000)</u>	<u>4,260</u>	<u>(257,029)</u>

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24. Conversion to an academy trust (continued)

On 1 February 2020 Haggonsfields Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Diocese of Southwell and Nottingham Multi-Academy Trust from Nottinghamshire County Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	1,316,926	1,316,926
Current assets				
Cash - representing budget surplus on LA funds	7,810	-	-	7,810
Non-current liabilities				
LGPS pension surplus / (deficit)	-	(428,000)	-	(428,000)
Net assets/(liabilities)	<u>7,810</u>	<u>(428,000)</u>	<u>1,316,926</u>	<u>896,736</u>

25. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>50,932</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Pension commitments

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

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

Contributions amounting to £335,793 were payable to the schemes at 31 August 2020 (2019 - £Nil) and are included within creditors.

Teachers' Pension Scheme

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

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

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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,946,687 (2019 - £1,906,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,206,000 (2019 - £981,000), of which employer's contributions totalled £924,000 (2019 - £740,000) and employees' contributions totalled £ 282,000 (2019 - £241,000). The agreed contribution rates for future years are 18% for employers and 13% for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.20 - 3.35	3.70
Rate of increase for pensions in payment/inflation	2.20 - 2.25	2.20
Discount rate for scheme liabilities	1.55 - 1.65	1.90
Inflation assumption (CPI)	2.20 - 2.25	2.20

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.8	21.7
Females	24.4	24.4
<i>Retiring in 20 years</i>		
Males	23.2	23.3
Females	25.9	26.2

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26. Pension commitments (continued)

Sensitivity analysis

	2020	2019
	£	£
Discount rate +0.1%	(921,000)	(681,000)
Discount rate -0.1%	952,000	700,000
Mortality assumption - 1 year increase	1,223,000	920,000
Mortality assumption - 1 year decrease	(1,178,000)	(887,000)
CPI rate +0.1%	839,000	610,000
CPI rate -0.1%	(813,000)	(594,000)

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

	2020	2019
	£	£
Equities	8,352,000	7,309,000
Gilts	542,000	384,000
Property	1,841,000	1,549,000
Debt instruments	1,198,000	1,010,000
Others incl. cash	2,045,000	1,462,000
Total market value of assets	13,978,000	11,714,000

The actual return on scheme assets was £433,000 (2019 - £691,000).

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

	2020	2019
	£	£
Current service cost	(2,120,000)	(1,495,000)
Past service cost	(19,000)	(304,000)
Interest income	243,000	271,000
Interest cost	(498,000)	(491,000)
Administrative expenses	(3,000)	(2,000)
Total amount recognised in the statement of financial activities	(2,397,000)	(2,021,000)

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26. Pension commitments (continued)

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

	2020	2019
	£	£
At 1 September	25,117,000	12,078,000
Upon conversion	1,246,000	7,067,000
Current service cost	2,120,000	1,495,000
Interest cost	498,000	491,000
Employee contributions	282,000	241,000
Actuarial losses	3,744,000	3,564,000
Past service costs	19,000	304,000
Benefits paid	83,000	(123,000)
Liabilities extinguished on settlements	398,000	-
At 31 August	<u>33,507,000</u>	<u>25,117,000</u>

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

	2020	2019
	£	£
At 1 September	11,714,000	6,185,000
Conversion of academy trusts	547,000	3,982,000
Interest income	243,000	271,000
Actuarial (losses)/gains	(74,000)	420,000
Employer contributions	924,000	740,000
Employee contributions	282,000	241,000
Benefits paid	83,000	(123,000)
Administrative expenses	(3,000)	(2,000)
Assets distributed on settlements	262,000	-
At 31 August	<u>13,978,000</u>	<u>11,714,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

27. Operating lease commitments

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

	2020	2019
	£	£
Not later than 1 year	89,131	54,872
Later than 1 year and not later than 5 years	112,745	84,970
	<u>201,876</u>	<u>139,842</u>

28. Members' liability

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

29. Post balance sheet events

Hucknall National C of E Primary School joined SNMAT on 1 September 2020.

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2020 the Academy Trust received £21,301 (2019 - £14,030) and disbursed £21,301 (2019 - £14,030) from the fund. An amount of £Nil (2019 - £Nil) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

31. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure related party transactions

RPS Business Healthcare – an organisation of which the sister of Lisa McVeigh (a member of the senior leadership team of the Trust) is the proprietor:

- RPS Business Healthcare charged the DSNMAT a total of £2,960 (2019 - £6,805) for the provision of occupational health services to the Trust during the period. There was a balance of £1,509 outstanding at 31 August 2020 (2019 - £1,262).

Southwell & Nottingham Diocesan Board of Finance – an organisation of which is a member for the Trust

- Southwell & Nottingham Diocesan Board of Finance charged the DSNMAT a total of £82,033 (2019 - £68,752) for the provision of staff and training courses to the Trust during the period. There was a balance of £Nil outstanding at 31 August 2020 (2019 - £Nil).