

Kernow Learning Multi Academy Trust

Formerly known as The Learning Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2021

Company Registration number: 7394649 (England and Wales)



Kernow Learning Multi Academy Trust

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Kernow Learning Multi Academy Trust

Reference and Administrative Details

Members

K Crosse
D Parker (appointed 14 May 2021)
A Basi
S Kendall
The Diocese of Truro (Represented by Katie Fitzsimmonds)
M Hurry (resigned 10 November 2021)
L Devine (resigned 12 February 2021)

Trustees (Directors)

K Crosse (Chair of Board of Trustees) (resigned 14 May 2021)
D Parker (Chair of Board of Trustees from 14 May 2021) (appointed 11 September 2020)
P Mason (Vice Chair of Board of Trustees)
J Walker (CEO)
S Tym
P Wyatt (died 11 November 2020)
D Glynn
T Ovenden-Hope
M Smith
H Sykes
L Devine (appointed 12 February 2021)
D Rushton (appointed 12 February 2021)
J Sutton (appointed 12 February 2021)

Accounting Officer and Chief Executive Officer

J Walker

Chief Operating Officer

D Houghton (from 1st January 2021)

Chief Financial Officer

E Coombe (from 1st January 2021)
C Ridehalgh (until 31st December 2020)

Deputy Chief Executive Officer

C Ridehalgh (Operations) (until 31st December 2020)
C Crowle (Academic)

Senior Leadership of St. Newlyn East Learning Academy

H Bearne, Head of School (until 31st December 2020)
A Watkins, Headteacher (from 1st January 2021)

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

Senior Leadership at Trenance Learning Academy

C Crowle, Executive Headteacher
P Waters, Head of School (until 31st August 2021)
M Oakley, Headteacher (from 1st September 2021)

Senior Leadership at Foxhole Learning Academy

M Oakley, Headteacher (until 31st August 2021)
T Findlay MBE, Headteacher (from 1st September 2021)

Senior Leadership at Falmouth Primary Academy

C Smith, Executive Headteacher / Hub Lead
H Bennett, Co Head

Senior Leadership at The Bishops' CofE Learning Academy

A Richards, Headteacher

Senior Leadership at St. Merryn Primary School

K Pitcher, Executive Headteacher / Hub Lead
A Brook, Head of School

Senior Leadership at Trevisker Primary School

K Pitcher, Executive Headteacher / Hub Lead
C Thorpe, Head of School

Senior Leadership at Constantine Primary School

C Smith, Executive Headteacher / Hub Lead
C Gilbert, Head of School

Senior Leadership at Mabe Primary School

J Jenkin, Headteacher

Senior Leadership at Leedstown Primary School

N Neale, Headteacher

Senior Leadership at St Columb Minor Academy

N Cotterill, Executive Headteacher / Hub Lead
K King, Co Head

Senior Leadership at Upton Cross ACE Academy

E Goodey, Headteacher

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

Senior Leadership at St Columb Major Academy

M Taylor, Headteacher (Maternity leave from 24th May 2021)

E Vyvyan, Headteacher (Maternity cover from 24th May 2021)

Senior Leadership at Beacon ACE Academy

K Haywood, Headteacher / Hub Lead

K Davis, Co Head

Senior Leadership at St Agnes Academy

J Mills, Headteacher

Senior Leadership at St Kew ACE Academy

N Cotterill, Executive Headteacher (until 31st March 2021) / Hub Lead

R Murray, Head of School (until 31st March 2021) and Headteacher (from 1st April 2021)

Senior Leadership at St Francis CoE Primary School

H Stevens, Headteacher

Senior Leadership at Charlestown Primary School

M Clutsom, Headteacher

Senior Leadership at King Charles CoE Primary School

L Moscato, Headteacher

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

Company Secretary	L Blacklaw
Company Registration Number	7394649
Registered Office	The Old Cricket Pavilion Treninnick Hill Newquay TR7 2JU
Bankers	Lloyds Bank 234 Highstreet Exeter EX4 3NL
Solicitors	Browne Jacobson 1 Manor Court Dix's Field Exeter Devon EX1 1UP
Independent Auditors	PKF Francis Clark Statutory Auditor North Quay House Sutton Harbour Plymouth PL4 0RA

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021

The Trustees of Kernow Learning Multi Academy Trust (Kernow Learning) present their annual report together with the financial statements and auditor's report of the charitable company for the year to 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Academy Trust operates 19 primary academies for pupils aged 2 to 11 across Cornwall, having welcomed King Charles CoE and St Francis CoE primary schools to the Trust in September 2020. Its academies have a combined pupil capacity of 5697 which included 20 Area Resource Base (ARB) pupils and 135 FTE nursery aged pupils. The Academy Trust's roll was 5,138 at the time of the school census on 1st October 2020. In addition to the 135 FTE nursery places, the Academy Trust operates two governor-led Pre-Schools which have a combined FTE capacity of 25 children, who are not on the roll of the Academy in which they operate. During 2020/21, one Academy within the Academy Trust was in the final year of moving from a 1FE to 2FE school to accommodate pupil growth in its local community, therefore, the Academy Trust held 30 places in its overall pupil capacity which will be filled in the 2021/22 financial and academic year as the final additional class is opened to meet additional demand.

In January 2021, the Academy Trust transferred the Area Resource Base (ARB) at Falmouth Primary Academy to The Special Partnership Trust. As a result, pupils registered at the ARB were placed on roll at Pencalenick School. This reduced the overall combined pupil capacity of Kernow Learning schools to 5687 as of 1st January 2021.

Structure, governance and management

Constitution

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

The Trustees of Kernow Learning Multi Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Kernow Learning.

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

Members' Liability

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

Trustees' Indemnities

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Method of recruitment and appointment or election of Trustees

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

The Members of the Academy Trust shall appoint up to 8 Trustees. Askel Veur (the umbrella trust of the Diocese of Truro), as a Member, shall appoint no fewer than 2 Trustees provided that the total number of Trustees appointed by them would not exceed 25% of the total number of Trustees. In relation to such appointment, Askel Veur shall consult the Trustees and shall have regard to any representations made by the Trustees on behalf of the company (but shall not be bound by any such representations).

Chairs of Local Advisory Boards may not hold a trusteeship of the Academy Trust. Members may appoint the CEO as a Trustee, if they agree.

Trustees (who have not been co-opted themselves) may appoint Co-opted Trustees, however, Trustees may not co-opt a trust employee, with the exception of the CEO.

Policies and procedures adopted for the induction and training of Trustees

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

Organisational Structure

In accordance with the Funding Agreement with the Education Funding Agency, an agency for the Department for Education, the Trustees of Kernow Learning are responsible for ensuring that high standards of corporate governance are maintained. They exercise their powers and functions with a view to fulfilling a strategic leadership role in the running of the schools within the Trust. The Board of Trustees have established a Scheme of Delegation for the Local Advisory Boards of each academy to assist with the discharge of their responsibilities (see fig. 1).

The Chief Executive Officer (CEO) is the Academy Trust's Accounting Officer and with the support of the Senior Leadership Team of the trust, is responsible for day-to-day management, the operation of the curriculum and executing any strategic decisions taken by the Board of Trustees, Local Advisory Boards and committees. The Deputy CEO of Kernow Learning oversees the work of the Executive Headteachers, Headteachers and Heads of School within each of the trust's academies. The Chief Operating Officer oversees the work of the business services aspects of the trust, including finance operations which are managed by the Chief Financial Officer. The CEO, aided by the Deputy CEO, COO and each school's Senior Leadership Team, control the schools at an executive level implementing the policies laid down by the Trustees and reporting back to them.

Kernow Learning Multi Academy Trust

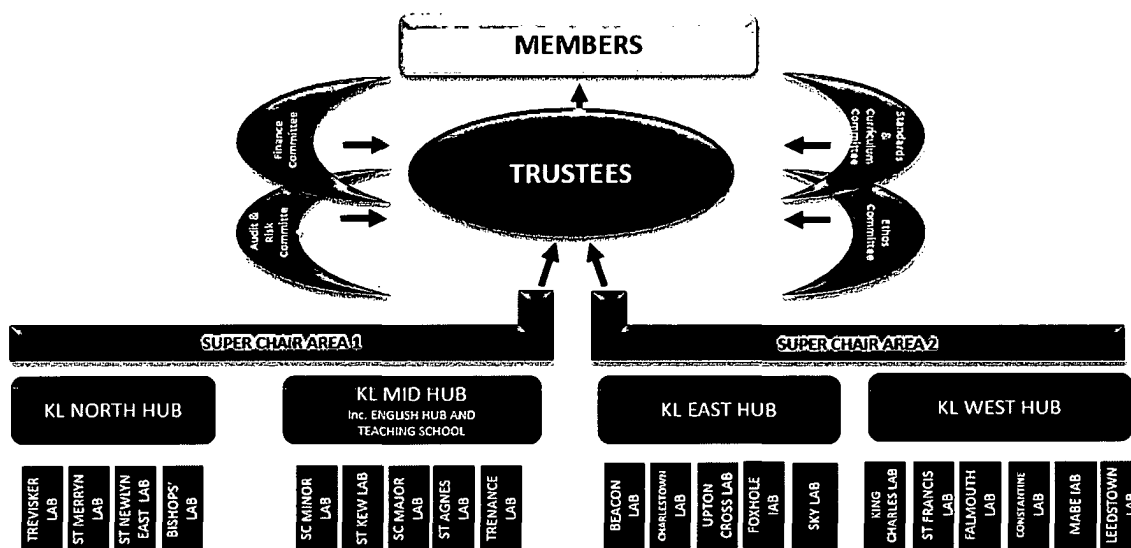
Trustees' Report for the Year Ended 31 August 2021 (continued)

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

The Board of Trustees met 7 times during the 2020/21 academic year. Due to the Covid-19 pandemic the Board of Trustees passed an Exceptional Circumstances Scheme of Delegation by resolution at the Board of Trustees meeting on 27 March 2020 which was revoked at the Board of Trustees meeting on 11th September 2020. It was agreed that, in the event of a local or national lockdown, Trustees would reconvene to decide whether or not to resolve to reinstate the Exceptional Circumstances Scheme of Delegation. The Trustees again passed the Exceptional Circumstances Scheme of Delegation by resolution at an extraordinary Board of Trustees meeting on 8th January 2021. The Exceptional Circumstances Scheme of Delegation included an amendment to the Financial Procedures manual for exceptional circumstances, and suspension of the LABs' scheme of delegation.

The Finance and Audit Committee met as a full committee three times during the year. The Standards and Curriculum Committee also met three times whilst the newly established Ethos Committee met once. In addition, the Academy Trust's Local Advisory Boards met six times each during this financial year.

Fig. 1



Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Arrangements for setting pay and remuneration of key management personnel

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

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

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

The pay of Headteachers, Co-Heads, Heads of School and Assistant/Deputy Heads is set according to the Headteacher range of the school's group size, in accordance with School Teachers' Pay and Conditions Document guidance.

The pay of the CEO, Deputy CEO and COO are reviewed by Trustees and are benchmarked against salaries in other Trusts of similar size, both locally and nationally.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	3

Percentage of time spent on facility time

Percentage of time

0%

Number of
employees

4

Related Parties and other Connected Charities and Organisations

Until the cessation of the Teaching School programme in August 2021, Kernow Learning was a strategic partner within the Kernow Teaching School Alliance (KTSA) and Trenance Learning Academy was a designated teaching school. Partners in the KTSA were Cornwall Education and Learning Trust and WAVE Academy Trust.

In February 2021, the Department for Education announced that Kernow Learning, through Trenance Learning Academy, had been selected to run a new Teaching School Hub for the SW8 geographical area (the SW8 geographical area covers the Cornwall West and Isles of Scilly region). The Roseland Multi Academy Trust, through The Roseland Academy, were also selected to run a Teaching School Hub for the SW11 geographical area (Cornwall East). Kernow Learning and The Roseland Multi Academy Trust agreed to operate both Teaching School Hubs in partnership under the umbrella of OneCornwall.

Engagement with employees (including disabled persons)

During the financial year 2020/21 the Trustees of Kernow Learning formed a Joint Consultation and Negotiation Committee for the Academy Trust which met four times virtually throughout the year.

The purpose of the JCNC is to introduce, maintain and develop arrangements aimed at:

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

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

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

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

Stakeholder surveys were undertaken during the Summer Term 2021 using a national system to allow for benchmarking against other schools and trusts nationally. This included surveys of staff, parents and pupils to ensure that stakeholders were given an opportunity to express their views. These have been analysed to identify areas of strength and areas for development both at school and Academy Trust level.

The previous progress made on collecting pupil voice has been slowed due to school closures during the COVID-19 pandemic, however all schools continued with in-school pupil council work virtually and all took part in the Kernow Learning G19 summit. This was held at St Columb Minor Academy in the week of the international, June, G7 summit in Cornwall. Most schools attended at the venue with a few joining virtually and the 'Trust Pupil Council' created their own 'Children's Charter,' making five key pledges grounded in the Academy Trust's values of Respect, Equality and Collaboration.

Objectives and activities

Objects and Aims

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

The main activity of Kernow Learning during the financial year 2020/21 was the operation of our nineteen schools in a collaborative way. (Beacon ACE Academy, Charlestown Primary School, Constantine Primary School, Falmouth Primary Academy, Foxhole Learning Academy, King Charles C of E Primary School, Leedstown Community Primary School, Mabe Primary School, St Agnes Academy, St Columb Minor Academy, St Columb Major Academy, St Francis C of E Primary School, St Kew ACE Academy, St Merryn School, St Newlyn East Learning Academy, The Bishops C of E Learning Academy, Trenance Learning Academy, Trevisker Primary School and Upton Cross ACE Academy.)

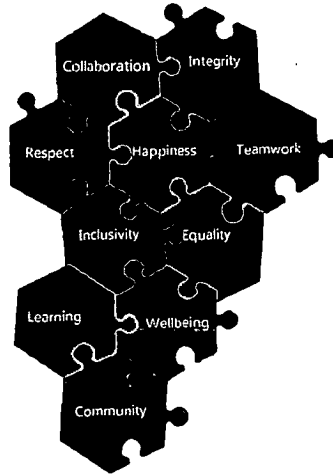
The curriculum in our schools is bold, ambitious, exciting and inclusive, making learning irresistible for all. It is rooted in the communities that our schools are proud to serve and capitalises on the knowledge, skills and diversity they offer. We are committed to a curriculum which enables children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

Our vision is summed up in 'Building Excellent Schools Together'. This vision signals our collaborative, partnership approach and involves every employee of our Trust and extends to our children, and their families.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Underpinning our vision and mission statement are our CORE values:



We believe that through collaboration there will be:

- greater opportunities and outcomes for our children;
- enhanced training opportunities for staff, leading to better educational provision;
- staff who are trained well enough to leave but who want to stay, to create a stable trust with succession built in at all levels;
- clear career paths for all, from children to senior leaders;
- maximised investment in the teaching and learning of children;
- schools that are supported, developed, and challenged through well-defined systems and a knowledgeable central team (including Trustees);
- unique schools that understand and meet the needs of their individual communities through their curriculum offer, bespoke approach, and knowledge of families; and
- a Trust that has the best possible reputation locally, regionally, and nationally.

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

•Our children and their families are at the centre of what we do; empowered to learn and achieve; valued within their communities as visible, resilient, active and responsible citizens.

•Our employees are passionate about being the best that they can be; providing opportunities for enriched learning through a genuinely broad and balanced curriculum and building pathways to independence.

•Our Trust is relentlessly focussed on improvement; we value and celebrate success and build partnerships to develop excellent provision.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives, Strategies and Activities

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

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

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

Our trust objectives mirror the Kernow Learning vision stated above. The strategies for achieving these aims, and the overall vision, have been set out in the Kernow Learning Improvement Framework 2020/21 which is regularly reviewed and monitored. A new Kernow Learning Impact and Improvement Plan for 2021/22 and beyond is currently being finalised.

The Academy Trust's key priorities will be addressed through effective leadership across the trust via:

- The Academy Trust Improvement Framework, which is monitored by the Academy Trust's leadership team and Trustees;
- Individual school Impact and Improvement Plans to improve school level performance, which are monitored locally by Local Advisory Boards;
- CEO and Deputy CEO monitoring reflected in the termly CEO's reports to Trustees;
- Strategy Groups and Curriculum Lead's groups;
- Monitoring and intervention by the COO and the Business Services and Finance teams, reported to Trustees through the COO's termly reports to Trustees.



Beacon ACE Academy is a co-educational primary school and nursery in Bodmin; the school also has a 10 place Area Resource Base. Children on roll are between the ages of 3 and 11. The total number on roll was 425 in 2020/21. The school was inspected by Ofsted in May 2019 and was rated as Good in all areas. Ofsted noted, *"The school is improving rapidly. The Headteacher has raised the expectations of staff and pupils alike. Under her leadership, the school community is united in its drive to improve the life chances of its pupils."*

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)



Charlestown Primary School is a co-educational primary school for children aged 4-11. During the academic year 2020/21 the number on roll was 417. The school was inspected by Ofsted in January 2019 and was rated Good in all areas. During the Covid-19 pandemic national-lock down this school provided essential childcare for its own community and other schools, including some pupils outside of the trust.



Constantine Primary School is a co-educational primary school providing education for 4-11 year olds in Constantine and the surrounding area. During the academic year 2020/21 the number on roll was 180. Constantine was judged as Good by Ofsted following its inspection in June 2019 and the report states: *The pupils clearly enjoy attending Constantine Primary and are very proud of their school.*



Falmouth Primary Academy is a co-education academy providing Foundation Stage (including Nursery), Key Stage One and Key Stage Two education for 3-11 year olds in the Falmouth and surrounding area. Until January 2021, the school also had an Area Resource Base. During the academic year 2020/21 the number on roll was 293 including pupils in the ARB and Nursery. Ofsted categorised the school as 'Good' with outstanding early years and personal development, behaviour and welfare. Ofsted stated: *The Executive Headteacher leads the school with determination and ambition. She is rightly proud of its many successes and the improvements in the quality of education.* During the Covid-19 pandemic national-lock down this school provided essential childcare for its own community and other schools, including some pupils outside of the trust.



Foxhole Learning Academy is a co-educational academy providing Primary Education for 4-11 year olds in Foxhole and the surrounding area. Foxhole has higher than average mobility across the school. During the academic year 2020/21 the number on roll was 94. Following an Ofsted inspection in September 2018 it was categorised as 'Good', the previous judgement having been Requires Improvement. Ofsted's report stated: *Leaders have worked successfully to improve the standard of education at the school. As a result, current pupils are making good progress and achieving well.*

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)



King Charles Church of England Primary School is a co-educational primary academy and nursery for children aged 2-11 in Falmouth. The school joined Kernow Learning in September 2020, which was mid-pandemic. It is rated as 'Good' by Ofsted. In its latest SIAMS inspection (February 2020) it was judged as 'Excellent' with inspectors stating *'The school stands out for its commitment to share innovative approaches. The vision inspires staff to provide high quality learning experiences. The diocese recognised the richness of its curriculum and signposted this to other schools.'* The number on roll during the academic year 2020/21 was 412.



Leedstown CP School is a co-educational academy providing primary education for 3-11 year olds in Leedstown and the surrounding area. Leedstown is the smallest school in Kernow Learning. Leedstown was inspected by Ofsted in October 2019 and was judged as 'Good'. During the academic year 2020/21 the number on roll was 72 including those children in the nursery.



Mabe Primary School is a co-education academy providing primary education for ages 3-11 in Mabe and the surrounding area. During the academic year 2020/21 the number on roll was 173, including pupils within the nursery. Mabe was inspected in June 2019 (whilst still part of The Learning Academy Trust) and was judged as inadequate because safeguarding was not judged to be effective. The school and Trust responded immediately to the concerns with a rapid response action plan, which was continued and intensified by Kernow Learning from September 2019. An internal Kernow Learning Audit of Safeguarding (and an external audit by the Local Authority found that safeguarding is now effective. Subsequent Ofsted monitoring visits have judged improvements positively with the latest report (June 2021) stating *'Leaders and managers are taking effective actions towards the removal of the serious weaknesses designation'*. Kernow Learning continues to support and monitor the school closely.



St Agnes Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in St Agnes and the surrounding area. It is a growing two form entry primary school. It is on track to complete transition from 1FE to 2FE fully in 2021/22. During the academic year 2020/21 the number on roll was 353. The academy was inspected by Ofsted in February 2018 and retained its 'Good' judgement in all areas. *'The Headteacher continues to set an aspirational tone which is having a positive effect within the school and wider community'*. During the Covid-19 pandemic national lockdown this school provided essential childcare to very high numbers of children, whose parents were mainly key workers working for the local health service.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)



St Columb Major Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in St Columb Major and surrounding area. During the academic year 2020/21 the number on roll was 365. St Columb Major was inspected in January 2018 (whilst still part of The Atlantic Centre of Excellence MAT) and was judged to 'Require Improvement' in some areas. The Trust worked hard to address the identified areas of weakness and the support was continued and intensified by Kernow Learning. There is now a culture of high expectations which has been readily adopted by the school workforce. A consistent and stable staffing team has enabled the Headteacher and senior leaders to drive forward school improvement at a rapid and sustainable level. Kernow Learning continues to support and monitor the school closely.



St Columb Minor Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in St Columb Minor, and the surrounding Newquay area. St Columb Minor is a 3FE Primary School. During the academic year 2020/21 the number on roll was 528. St Columb Minor Academy is the largest school within Kernow Learning. In November 2018 the school was inspected by Ofsted who judged that the school had maintained its 'Good' rating in all areas. Inspectors noted that *'Leaders at all levels have a good understanding of the school's strengths and weaknesses.'*



St Francis Church of England Primary School is a co-educational primary academy for children aged 4-11 in Falmouth. The school joined Kernow Learning in September 2020, during the national pandemic, and is rated as Good by Ofsted. At its latest SIAMS inspection (March 2018) it was rated 'Outstanding' and inspectors reported *'The school's Christian vision is clearly evident in its personalised provision which ensures that each pupil experiences being an important member of a caring community.'* The number on roll during the academic year 2020/21 was 419.



St Kew ACE Academy is a co-educational school providing primary education for 4-11 years old in St Kew and the surrounding area. During the academic year 2020/21 the number on roll was 89. St Kew also operates a 10 place governor led Pre-School. The school has worked with the Eden Project and students from the Eden Project Learning to develop its approach to Learning Outside the Classroom and to create plans to transform the outdoor learning environment. The development of the outside space began during 2019/20 and is due for completion in 2021/22. St Kew ACE Academy was inspected by Ofsted in a Section 8 inspection. The school was judged as Good in all areas.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)



St Merryn School is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 3-11 year olds in St Merryn and the local area. During the academic year 2020/21 the number on roll was 148 including children in the nursery provision. St Merryn School was judged to be 'Good' by Ofsted, at the last inspection with inspectors praising the school for the wide ranging opportunities that it provides for its pupils.



St. Newlyn East Learning Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for children between the ages of 4-11. During the academic year 2020/21 the number on roll was 184. Ofsted judged the school as 'Good' in 2019 and stated: *The Executive Headteacher and Head of School are passionate about enabling pupils to discover, explore and learn in a caring environment.*



The Bishops' Church of England Learning Academy is a co-educational primary school and nursery for children aged 3-11 years in the Newquay area. During the academic year 2020/21 the number on roll was 373 including nursery children. The Bishops' was judged as 'Good' by Ofsted in 2019 and inspectors stated: *The leadership team has maintained the good quality of education since the last inspection. At its most recent SIAMS inspection (2015) it was rated 'Outstanding' with inspectors reporting 'Collective worship is outstanding in its contribution to Christian distinctiveness and to Anglican communion'.*



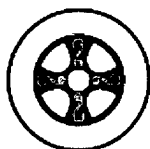
Trenance Learning Academy is a co-educational academy providing Foundation Stage and Key Stage 1 education for 4-7 year olds in Newquay and the surrounding area. During the academic year 2020/21 the number on roll was 336. Trenance Learning Academy is judged as Outstanding by Ofsted and is designated as an English Hub. Most recently the school was designated as a Teaching School Hub (January 2021) which recognises its significant contribution to the improvement of other schools.



Trevisker Primary School is a co-educational school providing primary education for 4-11 years old in St Eval and the surrounding area. During the academic year 2020/21 the number on roll was 173. Trevisker was inspected in May 2019 and was judged as Good. The report praised leadership for *'nurturing a strong and reflective staff team who are all equally passionate about putting children at the heart of their decision making.'*

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)



Upton Cross ACE Academy is a co-educational school providing primary education for 4-11 years old in the remote village of Upton Cross and the surrounding moorland area. During the academic year 2020/21 the number on roll was 104. Upton Cross operates four mixed age classes and also a 15 place governor led Pre-School. Upton Cross continues to be a very popular school that is oversubscribed in many year groups. Upton Cross ACE Academy was inspected by Ofsted in March 2019 and was judged as 'Good' in all areas.

During 2020/21 Kernow Learning and its Trustees provided rigorous and effective school improvement and financial stability to all of their schools to enable them to continue to provide the very best education in the communities that they serve. Our promise is to continue to do our very best to give each and every pupil the opportunity to reach their full potential. Kernow Learning provides support to all schools in the Academy Trust with the aim of improving pupil attainment through:

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

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

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

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Public Benefit

The Academy Trust provides educational services to all children in the local areas to its schools. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission. The key public benefit delivered by the Academy Trust is the provision of an outstanding education for its pupils.

We believe that education is a key way to break the deprivation - disadvantage cycles in a sustainable way.

The Academy Trust also provides before and after school care in many of the academies and all academies provide opportunities to use their facilities outside of the normal school day.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

This has been one of the most challenging years for education. The COVID-19 pandemic has meant that schools have been required to respond to remote learning due to school closures, implement restrictions and adaptations to the way they use their buildings and sites, and respond to high levels of pupil and staff absences. The pandemic has also meant that cross trust meetings have been held remotely and much of the school improvement work has been carried out remotely.

The leadership shown by the Academy Trust's CEO and Executive Leaders has been exceptional, as has the work of Heads and staff at each school. There has also been a significant contribution from the Board of Trustees in steering and aiming the Academy Trust through these turbulent times. The Academy Trust has a lot to celebrate thanks to Trustees, leaders and all who work for and support it.

In Summer 2020 and 2021, due to national directives, in light of the COVID-19 pandemic, there were no national statutory assessments. This means that there is no published school level or national educational performance data for 2020 or 2021.

Key achievements during the 2020/21 financial year include:

- Confirmation of the Proposed Opening Date and planning permission granted for Sky Primary School and Eden Project Nursery.
- The evolution of IT across the Trust; both in terms of infrastructure, support, and teaching and learning.
- The successful transfer of King Charles C of E Primary School and St Francis C of E Primary School into the Trust and the alignment of terms and conditions for staff.
- Trenance Learning Academy was designated as a Teaching School Hub for the SW8 geographic division which has led to a successful partnership with the other Teaching School Hub for Cornwall, creating 'One Cornwall'.
- Safeguarding systems have been improved and embedded, with the appointment of the Trust Executive Safeguarding Lead and the Strategic Trust IT Pedagogical Lead who also leads on e-Safety.
- Strategies on wellbeing, assessment and Early Years were planned and embedded despite the pandemic.
- The Academy Trust developed good strategies and saw gains in mental health provision for children and the use of Trauma Informed Schools to better identify and react to needs.
- A number of school based curriculum developments took place - with a particular emphasis on the growth of science education.

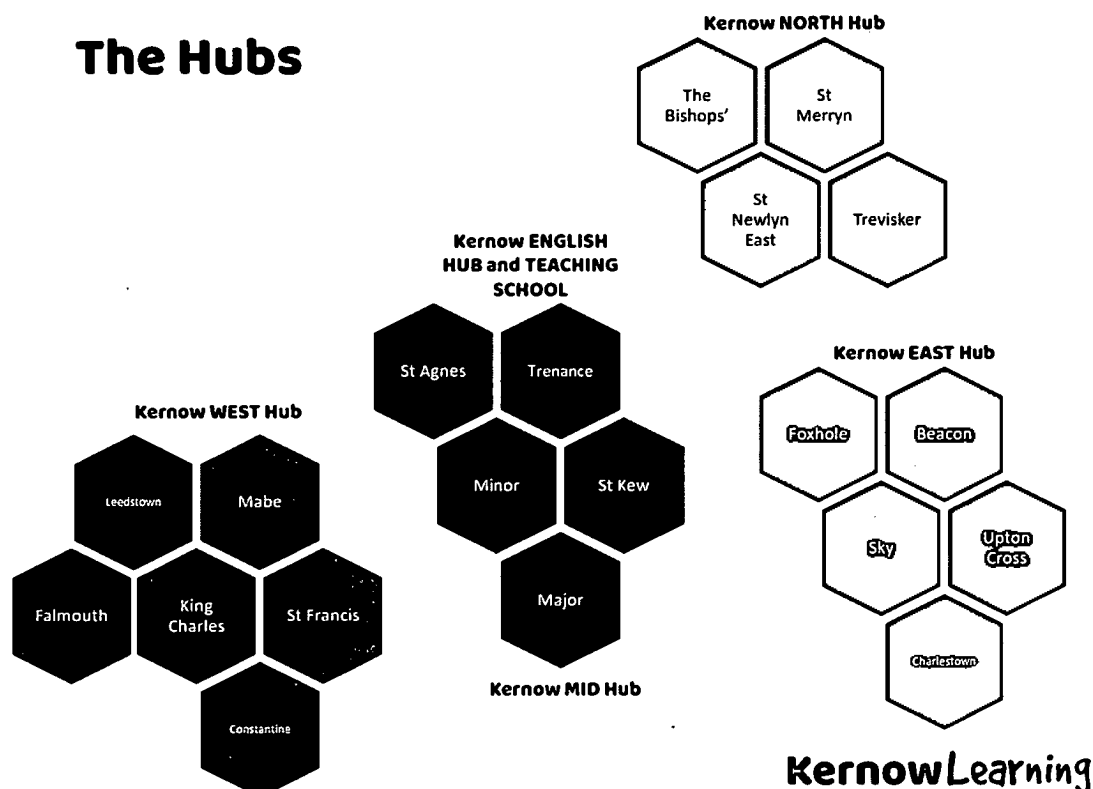
Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Fig. 2

The Hubs



COVID-19

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

Using Microsoft Teams, the Academy Trust have held regular meetings for Headteachers, Senior Leaders, Middle Leaders, Subject Leaders, Extended Leadership Team, Administrators, Safeguarding Leads and local governing bodies.

During the school closure periods additional risk assessments were produced and the Academy Trust provided training to staff to safely operate on all school sites; introduced a free school meal voucher system; wrote addendums to: the safeguarding policy, behaviour policy, complaints policy and introduced a bereavement policy with training support.

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Teaching School

During 2020/21 Trenance Learning Academy continued as the designated Teaching School within the Kernow Teaching School Alliance (KTSA). In addition to internal monitoring and support to ensure that standards are assessed, each school within Kernow Learning employed a robust and challenging performance management programme that was both supportive and rigorous. Each school undertook internal and external reviews. Continuing Professional Development plays a major part in improving each academy and Kernow Learning staff work together utilising the experience of Hub Leaders, the Executive Leadership Team, and also with external partners, to deliver a wide ranging programme on improving teaching and learning.

All Kernow Learning Schools were part of the Kernow Teaching School Alliance (KTSA) School Improvement Package in 2020/21. As part of this process all schools undertake peer to peer reviews, not only to moderate standards but also to share good practice. The KTSA School Improvement Package brings together a committed and principled group of people working collaboratively to share knowledge and expertise in order to support quality training and professional development across their partner trusts. This alliance improves school challenge, achieves the best value for money and has a positive impact on the life chances of the children and young people within the Academy Trust.

From 2021/22, with the close of Teaching School Alliances nationally, Kernow Learning will continue to facilitate the School Improvement Package which will be known as Kernow School Improvement Package. All schools within Kernow Learning will continue to access this programme as will other maintained schools and another local Academy Trust.

English Hub

The Kernow English Hub based at Trenance Learning Academy is one of 32 schools across England appointed by the DfE to take a leading role in supporting schools in the teaching of early reading, closing the word gap and promoting a love of reading. Throughout 2020/21 the English Hub continued to deliver its mission to ensure that every child becomes a reader through supporting schools in achieving excellence in early literacy teaching, through an initial focus on:

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

Sponsor

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Key Performance Indicators

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

These include:

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

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

Trustees monitor performance against KPIs using information from the monthly financial reports and termly Business Services Team Reports. These reports allow Trustees to challenge trust leaders on the efficiency and effectiveness of the Academy Trust and helps shape and direct future focus and areas of development.

Going Concern

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

The Academy Trust have been pragmatic in their approach to managing the uncertain situation regarding COVID-19. The Trust responded quickly in mitigating the impact of the pandemic on its schools and trust resources, highlighting and responding to areas of need as required.

The Academy Trust has ensured that all teaching and other key staff are covered for COVID-19 illness absences under the trust's staff absence insurance policy. Whilst this does not mitigate the impact of teacher absence on teaching and learning, it reduces the financial burden that this unknown situation presents. To cover anticipated 'unknown' COVID-19 related costs during the year, the Academy Trust ringfenced a total of £141,722 of trust funds. This included £75,000 of revenue funding for general 'unknown' costs, £16,722 for additional COVID-19 related cleaning, and £50,000 to support non-teaching staff COVID-19 absence costs.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Promoting the success of the academy

The Trustees fulfil their duty to promote the success of the Charitable Company, under Section 172 of the Companies Act 2006 (the Act) and consider the interests of Kernow Learning's key stakeholders when making decisions, including pupils, parents, employees, local communities, and local and central government. The Academy Trust has a clear purpose to provide exceptional learning opportunities, building excellent schools together, and ensuring our pupils are given a platform from which they can develop as responsible global citizens. This requires the Board, Executive Leadership Team and other employees to maintain an approach to strategic, financial and operational decision making that is values based and sustainable in approach, and therefore aligned to the requirements and expectations of Section 172.

The Academy Trust's long-term success relies upon its ability to deliver on its strategic objectives by harnessing the collective power of a strong and talented workforce, as well as nurturing close working relationships with regulators and suppliers, providing benefits to both the pupils in our schools and the wider school community.

Kernow Learning is a large trust of 19 schools, but despite our size we aim to preserve the individuality of each school within its own community. Our websites promote a clear message of our aim to provide both rigorous and effective school improvement and financial stability to ensure all of our schools continue to provide the very best education in the communities that they serve.

Our success is embodied in the collaborative approach adopted by our Senior Leadership Team, delivered through our Hub model, and supported by our central team and Trustees who have a broad range of professional skills and experience from both the private and public sectors. The Academy Trust successfully operates an English Hub from Trenance Learning Academy and delivers school improvement and Initial Teacher Education (ITE) to both Kernow Learning and external schools via the Kernow Schools Teaching Alliance (KTSA). From September 2021, the KTSA's remit has ended in line with government policy, however Kernow Learning has continued with both the ITE and School Improvement packages under the names Kernow Initial Teacher Education (KITE) and Kernow School Improvement, delivered by highly experienced and qualified personnel.

As previously mentioned in this report, the Academy Trust, through Trenance Learning Academy, was successfully awarded a Teaching School Hub for the SW8 (Cornwall West and the Isles of Scilly) region, operational from September 2021. Alongside The Roseland Multi Academy Trust, who operate the Teaching School Hub for SW11 (Cornwall East), the Trust has formed a Teaching School Hub Partnership for the entire Cornwall and Isles of Scilly region; the partnership is known as OneCornwall. All these factors offer a very attractive package to any school interested in joining the Academy Trust. We also recognise that it is important to maintain our positive and professional trust profile at senior leadership level via participation at local and national events and membership of organisations such as Confederation of Schools Trusts, the Local Government Pension Scheme Board (employer representative) and the Department for Education's MAT Buying and Insight Group Working Party.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Trustees receive feedback from stakeholders through various mediums:

- From Local Advisory Boards;
- From expert external professional advisors e.g. Challenge Partners
- From annual stakeholder surveys
- From the Academy Trust's Executive Leadership Team as those with delegated responsibility for the day to day running of the Academy Trust

At Board meetings, Trustees receive termly reports from the CEO summarising the current status of each of our schools and highlighting any notable successes or concerns. The Curriculum and Standards Committee of the Board of Trustees also meet termly to enable scrutiny of a wider range of data and reports and to review progress against the strategic objectives. Additionally, Trustees receive termly reports from the COO summarising the financial and operational status of the trust, benchmarking data against statistical and geographical neighbouring Academy Trusts as well as performance of the trust against KPIs. The Finance and Audit Committee meet termly to further scrutinise activity in this area. From September 2021, Trustees have established a separate Finance Committee and an Audit and Risk Committee.

Financial Review

In accordance with the Master and Supplemental Funding Agreements, the principal source of general funding with which to finance the operations of the Academy Trust, is the Department for Education via the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2021 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust held the following fund balances at 31st August 2021:

£1,931,575 unrestricted general funds (2020: £1,577,844)
£1,952,079 restricted general funds (2020: £607,378)
£48,896,864 restricted fixed assets [including capital assets held on the balance sheet of £48,696,067 and unspent capital grants of £200,227] (2020: £31,825,906)

Restricted pension reserve deficit: £15,991,000 (2020: £9,080,000)

The Academy Trust aims to set a balanced budget each year and use of reserves is for agreed specific purposes rather than to meet ongoing operational costs which is not a sustainable model. Changes to the National Funding Formula (NFF) increase risks to some schools but others benefit. As Kernow Learning Trust works as one school with 19 sites the overall picture is considered alongside individual budgets. Financial benchmarking is used by Trustees to highlight risks and to provide challenge for financial management. The VMFI tool will become part of this process along with the already consulted, annual Kreston reports.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

The Academy Trust spent £2,402,571 (2020: £1,093,239) on fixed assets, primarily invested in the provision of capital projects including The Bishops C of E roofing project, Beacon ACE Academy windows and doors project, fire upgrades across the trust, King Charles C of E damp works project, St Agnes Academy basic need expansion project, St Francis C of E classroom block project, Trevisker Primary School flat roof project.

For the period 2020/21, the Academy Trust has received £1,425,437 (2020: £1,236,068) from the Department for Education and £26,125 (2020: £21,364) from the Local Authority through the Pupil Premium funding mechanism. This money has all been spent on the additional salary costs and other related support costs against the tracked assessed needs of this monitored group.

The pension fund is in a deficit with a closing balance of £15,991,000 (2020: £9,080,000). As a result of this deficit, additional contributions of £224,011 (2020: £211,033) were paid into the fund, which is included within charitable expenditure in the SOFA.

The Academy Trust made an in-year surplus of £1,282,154 (2020: surplus of £20,371) after adjusting the net income/(expenditure) in the SOFA of £4,963,612 (2020: £20,374,295) for the transfer of funds from Falmouth Multi Academy Trust (for the transfer of King Charles CoE Primary School and St Francis CoE Primary School) of £9,256,458 (2020: £21,540,924) and the FRS102 LGPS SOFA adjustment £5,575,000 (2020: £1,186,000).

Reserves Policy

The Board of Trustees reviewed the Reserves Policy in March 2020 and have set a capital and revenue reserves policy which will be reviewed every three years. The Board of Trustees, as required, will create specific capital reserves to fund future capital expenditure. The Trustees require a revenue reserve to be created to fund future expenditure related to the Academy Trust's strategic long-term aims and developments to protect the Academy Trust with regard to uncertainty over future income streams and other key risks.

Reserves are reviewed annually, around the time of budget setting, and Trustees have determined that the appropriate level of free reserves should be set at a minimum of 5% of overall GAG income. This is in order to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. The reserve minimum should be enough to cover the cost of our monthly payroll.

The current level of free reserves is £1,931,575 (2020: £1,577,844) which is considered appropriate for the Academy Trust and is in excess of the Trustees' set minimum levels of reserves.

Users of this document should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Academy Trust recognises a significant pension deficit totalling £15,991,000. This deficit is included in Restricted Funds. This does not lead to an immediate liability for this amount. Similarly, if there was a pension surplus included within the Restricted Funds, this would not create an immediately realisable asset.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Users of this document should note that a surplus or deficit position of the pension scheme would usually result in a cash flow effect to the Academy Trust in the form of an increase or decrease in its employer's pension contributions over a number of years. The Academy Trust thus takes this fact into account when reviewing current business plans and budgets and ascertaining how these pension costs may affect budgets in the future. On the basis that increased pension contributions should be generally met from the Academy Trust's budgeted annual income, whilst the deficit may not be eliminated, there should be no actual cash flow deficit on the fund, or a direct impact on the unrestricted reserves of the Academy Trust due to the recognition of the deficit.

Investment Policy

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short-term requirements. The Academy Trust will operate a cautious and risk averse approach to investing pupil funding, income and reserves. The Academy Trust therefore makes no investments, other than cash balances being held in UK banks.

No other form of investment is authorised.

Principal Risks and Uncertainties

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

The Trustees are mindful of the projected falling rolls across primary provision in Cornwall and the impact that this will have on the future financial viability of the Trust. This is already being felt in areas where new school provision has opened in areas where there is already a surplus of school places. The Academy Trust is fully aware of the overall picture and is ensuring that the organisation remains agile to respond to the changing landscape.

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

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

Risks	Mitigation factors
Fraud	Internal control framework implemented across the Academy Trust. The Academy Trust has a rigorous internal audit function to carry out checks on financial systems and records as required by the Academy Trust Handbook.
Failure to ensure that Financial Reporting requirements are met	Financial Management Procedures regularly reviewed, and finance staff are adequately trained and supported
Failure to monitor the performance of employee pension scheme	The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, as the trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.
Growth of the Trust	Sustainable growth strategy in place

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

Fundraising

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

The Academy Trust, its schools and their associated Friends Groups/Parent Teacher Associations adhere to the Code of Fundraising Practice in their approach to fundraising. The Academy Trust does not employ professional fundraisers or commercial participators to act on its behalf. As is common in schools, fundraising usually takes place at organised events such as school fetes, discos, sponsored activities or other community events. The schools may ask for donations to cover the cost of school trips from parents and carers of those pupils taking part; however, it is made clear that these are voluntary donations.

The Academy Trust has not experienced any complaints about fundraising activity during the year, however any complaints would be managed through the Academy Trust's complaints policy/procedure.

We do not place any pressure on parents or the wider public to donate to any school fundraising activity, thus protecting the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions (kWh)	4,114,357	3,043,272
Energy consumption break down (kWh)		
Gas (mandatory)	1,849,000	1,003,316
Electricity (mandatory)	1,249,460	1,093,295
Transport fuel (mandatory)	43,359	134,339
Oil (voluntary)	762,415	645,442
Biomass (voluntary)	175,176	119,782
Consumed electricity from on-site renewable sources (voluntary)	34,947	47,098
Scope 1 emissions in metric tonnes CO2e		
Owned transport - mini-buses (mandatory)	4.20	3.30
Gas consumption (mandatory)	338.70	184.50
Oil (voluntary)	192.80	163.60
Biomass (N2O & CH4 only emissions) (voluntary)	2.70	1.90
Total scope 1	538.40	353.30
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity (mandatory)	265.30	254.90
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles (mandatory)	6.30	29.90
Total gross emissions in metric tonnes CO2e	810.00	638.10
Intensity ratio		
Tonnes CO2e per pupil (mandatory)	0.12	0.11
Tonnes of CO2e per square meter floor area (mandatory)	0.02	0.02
Tonnes CO2e per pupil (mandatory and voluntary)	0.16	0.15
Tonnes of CO2e per square meter floor area (mandatory and voluntary)	0.03	0.03

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Quantification and Reporting Methodology:

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2021 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

Energy and fuel consumption were compiled from invoice records. Mileage claims were used to calculate energy use and emissions associated with grey fleet. On site generated renewable electricity is reported and excludes exported energy to provide energy consumed. Exported energy is not measured but estimated to be 50%. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Intensity measurement

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn census of the respective year. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

The Academy Trust continues to monitor energy consumption closely via AMRs and with the assistance of a third-party consultancy (Zenengi Group), and this year the Academy Trust successfully applied for £12,000 funding from the Salix Low Carbon Skills fund to commission a decarbonisation survey and report.

The efficiency and performance of all heating plant and systems are closely managed and maintained. This has led to the installation of a new and efficient gas boiler at Beacon Nursery, improving the heating efficiency.

The Elliot Hut at Trevisker Primary School had LED lighting installed this year, improving electrical efficiency as part of a phased lighting replacement programme throughout the school. Furthermore, solar photovoltaic panels have been installed at St Merryn School this year, reducing grid supplied electricity consumption further.

The Bishop's CofE Primary School and Trevisker Primary School undertook extensive flat roofing replacement projects this year using School Condition Allocation funding, improving the performance and efficiency of the building fabric.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Plans for Future Periods

In 2021/22 the Academy Trust will continue to prioritise its response to the impact of, and continued management of, the COVID-19 pandemic. This will include a core focus on the delivery of school-led tutoring and other recovery programmes to address missed learning caused by school closures and other restrictive measures during the pandemic.

It seems likely that COVID-19 will continue to impact heavily on education, especially primary education where vaccination of the school community will be minimal. We are anticipating extended impacts on pupil and staff attendance as a result of this and Trustees are mindful of how this is likely to affect staff wellbeing and, potentially, pupil progress. Trustees are also aware of the extended strain that this will put on trust finances in terms of staff absence cover as well as intensifying intervention programmes to mitigate against impact on pupils' learning as well as the social, emotional and mental health effects associated with the pandemic. The Board of Trustees have committed reserves to allow for the uncertainty that COVID-19 presents to the Academy Trust, to embed systems and structures and ensure sustainability as a Systems Leader.

In addition:

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

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

GAG monies will continue to be used to employ expert staff to provide educational support and drive through improved performance. Kernow Learning will continue to move forward in its investment to move through a programme of harmonisation of IT across the Academy Trust. Over the next twelve months the central team will be looking to move this forward through a phased programme, prioritising those areas in greatest need. Likewise, we will be investigating options to streamline administrative processes such as HR and Payroll through the use of integrated systems; this will bring about both financial, accuracy, and capacity efficiencies.

Throughout the COVID-19 pandemic, EdTech has been thrust to the forefront and the Academy Trust has made great strides in developing this so that pupils can access high quality education remotely. The Academy Trust's IT Strategy will continue to keep the pioneering of EdTech as a priority to ensure that it continues to complement and enhance teaching and learning whilst reducing administrative burden.

The central team of Kernow Learning will continue to provide functional support services through the combined staffing and management structure to support operational and strategic finance, HR, Estates, IT and Marketing on behalf of the Academy Trust.

In September 2022, the Academy Trust are scheduled to open a new primary School, Sky Primary and Eden Project Nursery, at the new West Carclaze Garden Village near St Austell.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

During 2020/21, a change to the senior leadership of the Academy Trust and the central team led to a more distributed model of leadership within these areas. The central team now operates in a more risk led approach so that areas of support across the Academy Trust can be more easily identified and responded to. The focus for the central team during 2020/21 has been supporting schools in navigating the demands and requirements of COVID-19. Looking forward, the central team will now build on strong foundations to deliver continued high-quality support with a focus on achieving efficiencies of scale to keep ongoing costs across the Academy Trust to a minimum level. It is the intention of Kernow Learning to retain surpluses to invest in schools within the Academy Trust as required, to cover short-term financial deficits, or for capital investment purposes.

Funds Held as Custodian Trustee on Behalf of Others

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

Auditor

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 31/12/2021 and signed on the board's behalf by:



.....
D Parker (Chair of Board of Trustees from 14 May 2021)
Trustee

Kernow Learning Multi Academy Trust

Governance Statement

Scope of responsibility

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

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 J Walker (CEO), as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kernow Learning Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 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
K Crosse	6	7
T Ovenden-Hope	5	7
S Tym	5	7
P Wyatt (died 11 November 2020)	1	1
M Smith	7	7
H Sykes	3	7
D Glynn	4	7
J Walker (CEO)	7	7
D Parker (Chair of Board of Trustees from 14 May 2021) (appointed 11 September 2020)	6	7
D Rushton (appointed 12 February 2021)	3	3
P Mason (Vice Chair of Board of Trustees)	5	7
J Sutton (appointed 12 February 2021)	3	3
L Devine (appointed 12 February 2021)	2	3

It is with regret that we report that one of the Academy Trust's Trustees, Paul Wyatt, died on 11th November 2020.

Additionally, the Chair of Trustees, Kay Crosse, stood down as Chair at the meeting on 14th May 2021 and a new Chair, David Parker, was elected.

Following a review of Trustees' skills and knowledge, three additional Trustees were co-opted onto the Board: Leo Devine, Derek Rushton and Jeramie Sutton.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

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

Trustee	Meetings attended	Out of a possible
	2	2
P Mason (Vice Chair of Board of Trustees)	0	3
D Rushton	1	1
M Smith	3	3
J Sutton	1	1
H Sykes	2	3
J Walker (CEO)	3	3

The Standards and Curriculum Committee is also a sub-committee of the main Board of Trustees. Its purpose is to receive reports to enable monitoring of and advise to the Board of Trustees in relation to the following:

- Data on attainment and achievement for all of the Trust's schools,
- School improvement work and leadership,
- Overall performance of the schools,
- Leadership standards,
- Local Governance effectiveness

and to monitor and advise the Board on:

- SEN and inclusion,
- Partnership working,
- Admissions and Safeguarding arrangements.
- Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
K Crosse (Chair of Board of Trustees)	2	3
T Ovenden-Hope	3	3
D Parker (Chair of Board of Trustees from 14 May 2021)	2	3
D Rushton	1	1
S Tym	3	3
J Walker (CEO)	3	3

Kernow Learning Multi Academy Trust

Governance Statement (continued)

Governance reviews

The Trustees undertook a self-assessment of skills which was reviewed to highlight specific areas where additional knowledge would be beneficial and the recruitment of Trustees with these specific skills has been undertaken. This follows on from the self-assessment undertaken at the point of merger in 2019 and the Governance Action Plan that was created using the rubric provided by Governor Space.

The Academy Trust has also engaged a Governance professional to undertake an external review of governance at local level. This is set to continue in future years.

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Academy Trust delivers excellent 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 resources are directed where they will be most effective in achieving outcomes for pupils including, deploying staff efficiently to support school improvement and developments. Reviewing contracts to ensure that they are still fit for purpose and best value for our schools.
- Driving down costs through better procurement and negotiation based on the economy of scale of the Academy Trust through the financial year.
- Benchmarking the Academy Trust spend against other schools and ensuring significant variances are reviewed to provide assurance that the expense is appropriate to our schools and providing value for money.
- Collaborating with all schools within Kernow Learning in the delivery of strong system leadership and evidenced based improvement strategies to impact on performance.
- Centrally procuring many contracts and services. The Business Services Team helps schools to maximise their expenditure and deliver the best performance outcomes through a collective process. This process is transparent, fair, and uses a framework which adheres to an agreed set of Financial Procedures that apply across the Academy Trust.
- Providing Trustees with benchmarking and KPI data through the termly COO's report, allowing Trustees to monitor the efficiency of the trust against other similar groups of schools. Annual Benchmarking reports have also been provided for Trustees to analyse performance data against other Trusts locally and nationally
- Investigating opportunities for the growth of the trust to ensure a sustainable outlook.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

Trust wide contract awards mean that our schools are now signed up to a single service provider in many areas, which in addition to significant cost savings set out above, has also streamlined the day to day management of these activities within the central Business Services and Finances teams.

The Business Services Team is well placed to ensure that the longer term performance standards are maintained throughout all member schools and has collective power to positively influence providers if standards are perceived to fall below agreed performance indicators. Contracts are monitored and pro-actively reviewed.

Areas where the Academy Trust's activities have contributed to achieving value for money are:

- Whole Trust energy procurement exercise.
- Whole Trust grounds maintenance tender exercise utilising the services of the South West Schools Buying Hub to ensure quality and value in the tender exercise.
- Utilising government frameworks for photocopier procurement at the majority of the Academy Trust's schools.
- Trust-wide aligned IT Managed Service now in place utilising the South West Schools' Buying Hub to support the process using a DfE approved framework.

COVID-19 has impacted on procurement in many areas, most notably in the procurement of IT infrastructure and hardware. This has resulted in fluctuating prices across the year and supply chain interruption. Ultimately this has resulted in uncertainty with procurement in certain areas and has hindered the Academy Trust, at times, in reaching strategy aims within forecast timeframes.

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

Kernow Learning Multi Academy Trust

Governance Statement (continued)

- regular reviews by the Finance and Audit 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; and
- identification and management of risks.

The Board of Trustees has decided:

- to buy-in an internal audit service from Cornwall Council.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial and other systems. In particular the checks carried out in the current period include:

- Testing of MAT Procurement
- Testing of MAT Counter Fraud
- Testing of MAT Payroll
- Testing of MAT Budget Management
- Testing of MAT Governance Structures

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

The Academy Trust confirms that the internal auditor has delivered their schedule of work as planned. The payroll testing highlighted areas where documents provided by schools were incomplete mainly due to the impact of the Covid situation and the combination of working at school and from home, this has been addressed as the trust continues to move to a more paperless system. The internal auditor found that Budget Management and Governance Structures was done to a very high standard.

Review of Effectiveness

As Accounting Officer, J Walker (CEO) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool; and
- the work of the Executive Leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

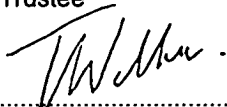
Kernow Learning Multi Academy Trust

Governance Statement (continued)

Approved by order of the members of the Board of Trustees on 3/12/2021 and signed on its behalf by:



.....
D Parker (Chair of Board of Trustees)
Trustee



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

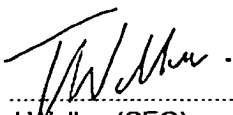
Kernow Learning Multi Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Kernow Learning Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees of Kernow Learning Multi Academy Trust and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



J Walker (CEO)
Accounting Officer

Date: 03/12/2021

Kernow Learning Multi Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 3/12/2021 and signed on its behalf by:



.....
D Parker (Chair of Board of Trustees from 14 May 2021)
Trustee

Kernow Learning Multi Academy Trust

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

Opinion

We have audited the financial statements of Kernow Learning Multi Academy Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account), Balance Sheet as at 31 August 2021, Statement of Cash Flows for the year ended 31 August 2021, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

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

Kernow Learning Multi Academy Trust

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 39], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Kernow Learning Multi Academy Trust

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the education sector in which it operates to identify the key laws and regulations affecting the entity. The key laws and regulations we identified were compliance with the funding agreement and Academies Financial Handbook 2020 and requirements with regard to safeguarding.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Academies Accounts Direction 2020/21, Companies Act 2006 and Charities Act 2011.

We discussed with management how the compliance with these laws and regulations is monitored and discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue operating and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Conducting detailed regularity testing in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts as issued by the ESFA, as reported on separately in our Independent Reporting Accountant's Assurance Report;
- Reviewed Board and Finance and Audit Committee minutes for indications of non compliance;
- Reviewed legal and professional costs to identify legal costs in respect of non compliance;
- Discussed the procedures in place for ensuring the safeguarding of pupils, including DBS checks and identified those staff and governors with responsibility for overseeing these areas; and
- Reviewed the accounts disclosures against those in the Academies Model Accounts 2020 to 2021, published by the ESFA.

Kernow Learning Multi Academy Trust

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

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud of which there were none.

We also evaluated the risk of fraud through management override including that arising from management's incentives. We determined that these risks are low as the Academy Trust operates on a charitable, not for profit basis and so there would be no motivation for management to influence performance for individual gain. However there was considered a risk of the inappropriate allocation of expenditure against restricted funds.

In response to the identified risk, as part of our audit work we:

- Reviewed the material restricted grant income sources, identified the related conditions and reviewed the nature of expenditure set against it for appropriateness, together with sample testing on expenditure;
- Used data analytics to test journal entries throughout the period, for appropriateness; and
- Reviewed accounting estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Academy Trusts' 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 Trusts' 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 Trusts' Members, as a body, for our audit work, for this report, or for the opinions we have formed.



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

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date: 15/12/2021
.....

Kernow Learning Multi Academy Trust

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

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

This report is made solely to Kernow Learning Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Kernow Learning Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Kernow Learning Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of Kernow Learning Multi Academy Trust's funding agreement with the Secretary of State for Education dated 15 October 2010 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

Kernow Learning Multi Academy Trust

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

Conclusion

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

D Leslie

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

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date: 15/12/2021
.....

Kernow Learning Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	1,423	50,647	1,439,327	1,491,397
Transfer from local authority and other MATs		467,847	(576,803)	9,365,414	9,256,458
Other trading activities	4	310,530	-	-	310,530
Investment income	5	601	-	-	601
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	344,343	26,276,908	-	26,621,251
Teaching schools	29	-	333,383	-	333,383
Total		1,124,744	26,084,135	10,804,741	38,013,620
Expenditure on:					
Raising funds	6	130,982	-	-	130,982
<i>Charitable activities:</i>					
Academy trust educational operations	7	232,201	27,011,608	1,373,098	28,616,907
Teaching schools	29	-	343,119	-	343,119
Total		363,183	27,354,727	1,373,098	29,091,008
Net income/(expenditure)		761,561	(1,270,592)	9,431,643	8,922,612
Transfers between funds		(407,830)	(336,707)	744,537	-
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	27	-	(3,959,000)	-	(3,959,000)
Net movement in funds/(deficit)		353,731	(5,566,299)	10,176,180	4,963,612
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		1,577,844	(8,472,622)	38,720,684	31,825,906
Total funds/(deficit) carried forward at 31 August 2021		1,931,575	(14,038,921)	48,896,864	36,789,518

Kernow Learning Multi Academy Trust

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2019/20 £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	29,006	34,683	684,631	748,320
Transfer from local authority and other MATs		1,043,642	(3,517,931)	24,014,213	21,539,924
<i>Charitable activities:</i>					
Funding for the Academy's educational operations	3	476,937	21,460,069	-	21,937,006
Teaching schools		-	314,235	-	314,235
Other trading activities	4	66,365	25,679	-	92,044
Investment income	5	1,542	-	-	1,542
Total		1,617,492	18,316,735	24,698,844	44,633,071
Expenditure on:					
Raising funds	6	95,605	-	-	95,605
<i>Charitable activities:</i>					
Academy trust educational operations	7	444,348	22,364,066	1,053,789	23,862,203
Teaching schools		-	300,968	-	300,968
Total		539,953	22,665,034	1,053,789	24,258,776
Net income/(expenditure)		1,077,539	(4,348,299)	23,645,055	20,374,295
Transfers between funds		-	(239,484)	239,484	-
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes	27	-	(1,123,000)	-	(1,123,000)
Net movement in funds/(deficit)		1,077,539	(5,710,783)	23,884,539	19,251,295
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		500,305	(2,761,839)	14,836,145	12,574,611
Total funds/(deficit) carried forward at 31 August 2020		<u>1,577,844</u>	<u>(8,472,622)</u>	<u>38,720,684</u>	<u>31,825,906</u>

Kernow Learning Multi Academy Trust

(Registration number: 7394649)

Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	2,530	5,750
Tangible assets	13	<u>48,693,537</u>	<u>38,411,830</u>
		<u>48,696,067</u>	<u>38,417,580</u>
Current assets			
Stocks	14	3,500	-
Debtors	15	1,554,288	1,718,586
Cash at bank and in hand		<u>5,163,144</u>	<u>2,873,275</u>
		6,720,932	4,591,861
Creditors: Amounts falling due within one year	16	<u>(2,617,357)</u>	<u>(1,911,691)</u>
Net current assets		<u>4,103,575</u>	<u>2,680,170</u>
Total assets less current liabilities		52,799,642	41,097,750
Creditors: Amounts falling due after more than one year	17	<u>(19,124)</u>	<u>(191,844)</u>
Net assets excluding pension liability		52,780,518	40,905,906
Defined benefit pension scheme liability	27	<u>(15,991,000)</u>	<u>(9,080,000)</u>
Total assets		<u><u>36,789,518</u></u>	<u><u>31,825,906</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,952,079	607,378
Restricted fixed asset fund		48,896,864	38,720,684
Restricted pension fund		<u>(15,991,000)</u>	<u>(9,080,000)</u>
		34,857,943	30,248,062
Unrestricted funds			
Unrestricted general fund		<u>1,931,575</u>	<u>1,577,844</u>
Total funds		<u><u>36,789,518</u></u>	<u><u>31,825,906</u></u>

The financial statements on pages 46 to 82 were approved by the Trustees, and authorised for issue on 3/12/2021 and signed on their behalf by:



.....
D Parker (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	3,424,572	1,737,273
Cash flows from investing activities	24	(960,643)	(407,065)
Cash flows from financing activities	23	<u>(174,060)</u>	<u>106,565</u>
Change in cash and cash equivalents in the year		2,289,869	1,436,773
Cash and cash equivalents at 1 September		<u>2,873,275</u>	<u>1,436,502</u>
Cash and cash equivalents at 31 August	25	<u><u>5,163,144</u></u>	<u><u>2,873,275</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

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

Basis of preparation

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

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

Going concern

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

Income

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Grants

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

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

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

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Transfer on conversion

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

Transfer of existing academies into the trust

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Intangible fixed assets

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Asset class	Amortisation method and rate
Software	25% straight line

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

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

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

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

Where control is substantiated, assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Multi Academy Trust's depreciation policy.

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

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

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

Liabilities

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 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.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

The Multi Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Multi Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

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

Fund accounting

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

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The valuation of land and buildings transferred on conversion to an Academy Trust. The Trustees use all information available including valuation reports and benchmarking these valuations to determine the fair value.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Other voluntary income					
Capital grants	-	-	1,439,327	1,439,327	684,631
Other donations	1,423	50,647	-	52,070	63,689
	<u>1,423</u>	<u>50,647</u>	<u>1,439,327</u>	<u>1,491,397</u>	<u>748,320</u>

The income from donations and capital grants was £1,491,397 (2020: £748,320) which was allocated between the funds as follows; £1,423 unrestricted funds (2020: £29,006), £50,647 restricted funds (2020: £34,683), £1,439,327 restricted fixed asset funds (2020: £684,631).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Multi Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020/21 £	Total 2019/20 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	20,339,472	20,339,472	16,445,389
Other DfE/EFA grants	-	1,887,805	1,887,805	1,795,126
UIFSM	-	758,941	758,941	741,924
Pupil premium	-	1,425,437	1,425,437	1,264,376
	-	24,411,655	24,411,655	20,246,815
Other government grants				
Other LA grants	-	1,375,517	1,375,517	1,063,758
Other government grants	-	13,914	13,914	-
	-	1,389,431	1,389,431	1,063,758
COVID-19 additional funding (DfE/ESFA)				
Covid Catch Up Premium	-	405,670	405,670	-
Non-government grants and other income				
Non grant income	344,343	70,152	414,495	626,433
Total grants	344,343	26,276,908	26,621,251	21,937,006

The funding for educational operations was £26,621,251 (2020: £21,937,006) which was allocated between the funds as follows; £344,343 unrestricted funds (2020: £476,937), £26,276,908 restricted funds (2020: £21,460,069), £Nil restricted fixed asset funds (2020: £Nil).

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

The Academy Trust received £405,670 of funding for COVID-19 catch-up premium and costs incurred in respect of this funding totalled £124,538 with the remaining £281,132 to be spent in 2021/22.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	19,123	19,123	29,035
Recharges and reimbursements	22,367	22,367	14,499
Other income	269,040	269,040	48,510
	<u>310,530</u>	<u>310,530</u>	<u>92,044</u>

The income from other trading activities was £310,530 (2020: £92,044) which was allocated between the funds as follows; £310,530 unrestricted funds (2020: £66,365), £Nil restricted funds (2020: £25,679), £Nil restricted fixed asset funds (2020: £Nil).

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	<u>601</u>	<u>601</u>	<u>1,542</u>

The income from other trading activities was £601 (2020: £1,542) which was allocated between the funds as follows; £601 unrestricted funds (2020: £1,542), £Nil restricted funds (2020: £Nil), £Nil restricted fixed asset funds (2020: £Nil).

6 Expenditure

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	130,982	-	-	130,982	95,605
Academy's educational operations					
Direct costs	17,297,181	-	1,214,699	18,511,880	15,577,719
Allocated support costs	4,310,666	3,098,800	2,695,561	10,105,027	8,284,484
Teaching School	<u>227,285</u>	<u>164</u>	<u>115,670</u>	<u>343,119</u>	<u>300,968</u>
	<u>21,966,114</u>	<u>3,098,964</u>	<u>4,025,930</u>	<u>29,091,008</u>	<u>24,258,776</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Operating leases - plant and machinery	106,715	40,668
Amortisation of intangible fixed assets	3,220	5,089
Fees payable to auditor - audit	15,000	15,000
- other audit services	15,000	21,190
Depreciation	<u>1,369,876</u>	<u>1,048,699</u>

7 Charitable activities

	Total 2020/21 £	Total 2019/20 £
Direct costs - educational operations	18,511,880	15,577,719
Support costs - educational operations	<u>10,105,027</u>	<u>8,284,484</u>
	<u>28,616,907</u>	<u>23,862,203</u>

	Educational operations £	Total 2020/21 £	Total 2019/20 £
Analysis of support costs			
Support staff costs	4,310,666	4,310,666	3,729,905
Depreciation	1,373,098	1,373,098	1,053,789
Technology costs	409,954	409,954	263,321
Premises costs	1,725,702	1,725,702	1,344,104
Other support costs	2,240,820	2,240,820	1,851,413
Governance costs	<u>44,787</u>	<u>44,787</u>	<u>41,952</u>
Total support costs	<u>10,105,027</u>	<u>10,105,027</u>	<u>8,284,484</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	15,522,537	13,107,807
Social security costs	1,335,616	1,088,140
Pension costs	4,845,999	4,055,278
	<u>21,704,152</u>	<u>18,251,225</u>
Supply teacher costs	258,391	183,475
Staff restructuring costs	3,571	-
	<u>21,966,114</u>	<u>18,434,700</u>
		2020/21 £
Staff restructuring costs comprise:		
Redundancy payments		<u>3,571</u>

Staff numbers

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

	2020/21 No	2019/20 No
Charitable Activities		
Teachers	247	245
Administration and support	498	450
Management	23	20
	<u>768</u>	<u>715</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Higher paid staff

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

	2020/21	2019/20
	No	No
£60,001 - £70,000	4	3
£70,001 - £80,000	3	4
£80,001 - £90,000	1	1
£120,001 - £130,000	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer National Insurance Contributions) received by key management personnel for their services to the Multi Academy Trust was £2,094,741 (2020 - £1,660,973).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

9 Central services

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

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

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

- 5% General Annual Grant
- historical charges

The actual amounts charged during the year were as follows:

	2021 £
Trenance Learning Academy	100,872
Falmouth Primary Academy	82,980
Foxhole Learning Academy	30,732
St Newlyn East Learning Academy	53,328
St Merryn School	39,864
Constantine Primary School	49,752
Leedstown Community Primary School	20,304
Mabe School	45,276
The Bishops C of E Learning Academy	97,908
Trevisker Primary School	55,464
Beacon ACE Academy	121,896
Charlestown Primary School	100,872
St Agnes Academy	90,084
St Columb Major Academy	100,596
St Columb Minor Academy	159,948
St Kew ACE Academy	27,984
Upton Cross ACE Academy	30,744
King Charles C of E School	110,580
St Francis C of E School	114,744
	<hr/> 1,433,928 <hr/>

In addition to the 5% charge from the General Annual Grant, the Academy Trust also recharges centralised support.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Directors' remuneration and expenses

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

J Walker (CEO):

Remuneration: £125,000 - £130,000 (2020 - £120,000 - £125,000)

Employer's pension contributions: £30,000 - £35,000 (2020 - £25,000 - £30,000)

11 Directors' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £1,000,000 (2020 - £5,000,000) on any one claim and the cost for the year ended 31 August 2021 was £280 (2020 - £1,958).

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

12 Intangible fixed assets

	Software £	Total £
Cost		
At 1 September 2020	21,933	21,933
At 31 August 2021	21,933	21,933
Amortisation		
At 1 September 2020	16,183	16,183
Charge for the year	3,220	3,220
At 31 August 2021	19,403	19,403
Net book value		
At 31 August 2021	2,530	2,530
At 31 August 2020	5,750	5,750

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Assets under construction £	Site improvements £	Total £
Cost								
At 1 September 2020	4,847,732	36,438,187	1,211,336	1,195,033	31,800	-	281,020	44,005,108
Additions	116,416	1,170,261	152,762	383,903	2,900	260,786	315,543	2,402,571
Disposals	-	-	-	-	(17,050)	-	-	(17,050)
Transfers	-	9,718,098	223,958	185,902	-	14,425	-	10,142,383
At 31 August 2021	<u>4,964,148</u>	<u>47,326,546</u>	<u>1,588,056</u>	<u>1,764,838</u>	<u>17,650</u>	<u>275,211</u>	<u>596,563</u>	<u>56,533,012</u>
Depreciation								
At 1 September 2020	276,510	3,451,497	832,586	992,467	25,701	-	14,517	5,593,278
Charge for the year	76,121	833,457	231,426	214,561	2,380	-	11,931	1,369,876
Eliminated on disposals	-	-	-	-	(16,463)	-	-	(16,463)
Transfers	-	548,707	164,358	179,719	-	-	-	892,784
At 31 August 2021	<u>352,631</u>	<u>4,833,661</u>	<u>1,228,370</u>	<u>1,386,747</u>	<u>11,618</u>	<u>-</u>	<u>26,448</u>	<u>7,839,475</u>
Net book value								
At 31 August 2021	<u>4,611,517</u>	<u>42,492,885</u>	<u>359,686</u>	<u>378,091</u>	<u>6,032</u>	<u>275,211</u>	<u>570,115</u>	<u>48,693,537</u>
At 31 August 2020	<u>4,571,222</u>	<u>32,986,690</u>	<u>378,750</u>	<u>202,566</u>	<u>6,099</u>	<u>-</u>	<u>266,503</u>	<u>38,411,830</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

14 Stock

	2021 £
Stock of goods	<u>3,500</u>

15 Debtors

	2021 £	2020 £
Trade debtors	4,427	17,941
Prepayments and accrued income	889,995	849,987
VAT recoverable	<u>659,866</u>	<u>850,658</u>
	<u>1,554,288</u>	<u>1,718,586</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	735,415	439,437
Other taxation and social security	315,221	250,005
Other creditors	12,860	14,092
Pension scheme creditor	387,177	322,513
Accruals	654,425	386,694
Deferred income	<u>512,259</u>	<u>498,950</u>
	<u>2,617,357</u>	<u>1,911,691</u>

Included within other creditors is a loan of £12,752 (2020 - £14,092) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Creditors: amounts falling due within one year (continued)

	2021 £	2020 £
Deferred income		
Deferred income at 1 September 2020	498,950	375,176
Resources deferred in the period	512,259	498,950
Amounts released from previous periods	<u>(498,950)</u>	<u>(375,176)</u>
Deferred income at 31 August 2021	<u>512,259</u>	<u>498,950</u>

Income has been deferred mainly in relation to the Universal Free School Meal Fund and Rates Relief. There is also income deferred in relation to Pre-school rent received in advance. The deferral serves to recognise the income over the time periods to which it relates. Included in deferred income for the previous year is £58,334 of Pupil Growth Funding.

17 Creditors: amounts falling due after one year

	2021 £	2020 £
Other creditors	<u>19,124</u>	<u>191,844</u>

Included within other creditors is a loan of £19,124 (2020 - £24,682) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

Also included in other creditors is a loan of £Nil (2020 - £167,162) from the Department for Education which was provided on the following terms: the loan incurs interest at 2.29% and is repayable over 10 years. The loan has been repaid in full during the year under an early settlement agreement.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	192,203	21,049,877	(19,808,288)	(275,459)	1,158,333
Universal Infant Free School Meals	-	758,941	(758,941)	-	-
Pupil Premium	-	1,425,437	(1,425,437)	-	-
COVID catch up premium	-	405,670	(124,538)	-	281,132
Other DfE/ESFA revenue grants	129,995	1,938,511	(1,815,766)	(45,348)	207,392
LA and other restricted funds	78,837	1,508,316	(1,462,639)	(13,840)	110,674
Teaching School	206,343	333,383	(343,118)	(2,060)	194,548
	<u>607,378</u>	<u>27,420,135</u>	<u>(25,738,727)</u>	<u>(336,707)</u>	<u>1,952,079</u>
Restricted fixed asset funds					
Assets transferred from conversion	21,855,687	9,190,646	(556,850)	-	30,489,483
Assets purchased/ donated	16,295,141	174,768	(816,248)	2,553,493	18,207,154
DfE/ESFA capital grants	569,856	700,397	-	(1,111,925)	158,328
LA and other capital funds	-	738,930	-	(697,031)	41,899
	<u>38,720,684</u>	<u>10,804,741</u>	<u>(1,373,098)</u>	<u>744,537</u>	<u>48,896,864</u>
Restricted pension funds					
Pension Fund	<u>(9,080,000)</u>	<u>(1,336,000)</u>	<u>(1,616,000)</u>	<u>(3,959,000)</u>	<u>(15,991,000)</u>
Total restricted funds	30,248,062	36,888,876	(28,727,825)	(3,551,170)	34,857,943
Unrestricted funds					
Unrestricted general funds	<u>1,577,844</u>	<u>1,124,744</u>	<u>(363,183)</u>	<u>(407,830)</u>	<u>1,931,575</u>
Total funds	<u>31,825,906</u>	<u>38,013,620</u>	<u>(29,091,008)</u>	<u>(3,959,000)</u>	<u>36,789,518</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

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

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

Pupil Premium funds - Pupil premium is specifically used to raise the attainment levels of disadvantaged pupils and closing the gap with their peers, and supporting children and young people with parents in regular armed forces.

Universal infant free school meals - Universal infant free school meals is used to cover the costs of providing free school meals to infants within the Multi Academy Trust.

Covid catch up premium - Covid catch up premium has been granted to support pupils to catch up on missed learning caused by coronavirus (covid-19).

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

Restricted pension funds - The defined benefit pension fund represents the current deficit on the Local Government Pension Scheme.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	16,473,736	(16,096,941)	(184,592)	192,203
Universal Infant Free School Meals	-	741,924	(741,924)	-	-
Pupil Premium	-	1,264,376	(1,264,376)	-	-
Other DfE/ESFA revenue grants	15,085	1,862,884	(1,701,070)	(46,904)	129,995
LA and other restricted funds	-	1,330,580	(1,243,755)	(7,988)	78,837
Teaching School	193,076	314,235	(300,968)	-	206,343
	<u>208,161</u>	<u>21,987,735</u>	<u>(21,349,034)</u>	<u>(239,484)</u>	<u>607,378</u>
Restricted fixed asset funds					
Assets transferred from conversion	9,996,924	12,240,766	(382,003)	-	21,855,687
Assets purchased/ donated	4,649,406	11,483,259	(671,786)	834,262	16,295,141
DfE/ESFA capital grants	173,556	959,752	-	(563,452)	569,856
LA and other capital funds	16,259	15,067	-	(31,326)	-
	<u>14,836,145</u>	<u>24,698,844</u>	<u>(1,053,789)</u>	<u>239,484</u>	<u>38,720,684</u>
Restricted pension funds					
Pension Fund	<u>(2,970,000)</u>	<u>(3,671,000)</u>	<u>(1,316,000)</u>	<u>(1,123,000)</u>	<u>(9,080,000)</u>
Total restricted funds	12,074,306	43,015,579	(23,718,823)	(1,123,000)	30,248,062
Unrestricted funds					
Unrestricted general funds	<u>500,305</u>	<u>1,617,492</u>	<u>(539,953)</u>	<u>-</u>	<u>1,577,844</u>
Total funds	<u>12,574,611</u>	<u>44,633,071</u>	<u>(24,258,776)</u>	<u>(1,123,000)</u>	<u>31,825,906</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Trenance Learning Academy	1,252,071	255,718	48,561	194,588	1,750,938
St Newlyn East Learning Academy	626,319	58,561	26,396	147,388	858,664
Falmouth Primary Academy	1,063,899	123,783	32,114	330,439	1,550,235
Foxhole Learning Academy	354,842	26,924	17,157	124,692	523,615
The Bishops C of E Learning Academy	1,098,353	197,976	42,835	241,173	1,580,337
Leedstown Community Primary School	228,610	21,119	6,660	100,460	356,849
Mabe School	646,264	48,196	20,689	194,453	909,602
Trevisker Primary School	567,378	87,793	20,850	150,537	826,558
Constantine Primary School	565,588	44,567	21,674	188,861	820,690
St Merryn School	490,967	75,688	23,037	131,392	721,084
Beacon ACE Academy	1,510,428	271,700	48,657	390,757	2,221,542
Charlestown Primary School	1,187,836	197,028	37,269	262,580	1,684,713
St Agnes Academy	1,097,605	85,932	44,778	225,681	1,453,996
St Columb Major Academy	1,239,969	184,903	36,769	300,334	1,761,975
St Columb Minor Academy	1,721,110	304,680	34,896	343,151	2,403,837
St Kew ACE Academy	284,440	20,937	14,203	106,116	425,696
Upton Cross ACE Academy	413,068	30,806	23,891	100,230	567,995
St Francis C of E School	1,255,690	124,378	57,772	347,763	1,785,603
King Charles C of E School	1,293,271	91,205	57,217	376,213	1,817,906

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Sky School	-	-	20	12,067	12,087
English HUB	101,830	30,651	106,564	93,161	332,206
Teaching School HUB	227,285	-	-	115,834	343,119
Central services	424,257	2,028,120	2,820	553,467	3,008,664
Academy Trust	<u>17,651,080</u>	<u>4,310,665</u>	<u>724,829</u>	<u>5,031,337</u>	<u>27,717,911</u>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Trenance Learning Academy	1,531,690	283,650	145,887	501,096	2,462,324
St Newlyn East Learning Academy	567,289	63,366	34,017	147,807	812,479
Falmouth Primary Academy	1,133,397	122,786	38,423	335,847	1,630,453
Foxhole Learning Academy	365,027	31,126	14,919	135,056	546,128
The Bishops C of E Learning Academy Leedstown	1,000,320	178,421	52,796	216,387	1,447,924
Community Primary School	266,669	21,011	14,936	91,327	393,943
Mabe School	589,276	24,410	26,112	172,053	841,852
Trevisker Primary School	583,748	86,973	20,610	152,506	843,836
Constantine Primary School	526,053	54,564	26,966	194,116	801,700
St Merryn School	486,322	68,444	22,659	120,757	698,182
Beacon ACE Academy	1,653,827	191,751	54,163	390,943	2,290,683
Charlestown Primary School	1,040,522	190,103	26,764	222,656	1,480,045

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
St Agnes Academy	931,344	85,051	28,780	244,026	1,289,201
St Columb Major Academy	1,184,838	209,152	42,468	241,262	1,677,719
St Columb Minor Academy	1,808,844	305,451	48,884	325,980	2,489,158
St Kew ACE Academy	276,934	26,376	23,805	96,391	423,506
Upton Cross ACE Academy	391,691	38,557	16,876	96,636	543,759
Central services	367,006	1,718,713	13,280	433,099	2,532,098
Academy Trust	<u>14,704,797</u>	<u>3,699,905</u>	<u>652,345</u>	<u>4,117,945</u>	<u>23,204,990</u>

19 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	2,530	2,530
Tangible fixed assets	-	-	48,693,537	48,693,537
Current assets	1,931,575	4,159,301	630,056	6,720,932
Current liabilities	-	(2,207,222)	(410,135)	(2,617,357)
Creditors over 1 year	-	-	(19,124)	(19,124)
Pension scheme liability	-	(15,991,000)	-	(15,991,000)
Total net assets	<u>1,931,575</u>	<u>(14,038,921)</u>	<u>48,896,864</u>	<u>36,789,518</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

19 Analysis of net assets between funds (continued)

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

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

20 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	<u>701,149</u>	<u>30,414</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

21 Financial commitments

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	139,053	50,305
Amounts due between one and five years	190,126	71,845
	<u>329,179</u>	<u>122,150</u>

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

	2021 £	2020 £
Net income	8,922,612	20,374,295
Amortisation	3,220	5,089
Depreciation	1,369,876	1,048,699
Capital grants from DfE and other capital income	(1,439,327)	(684,632)
Non cash balances transferred from other MATs	(7,906,735)	(20,053,035)
Interest receivable	(601)	(1,542)
Defined benefit pension scheme cost less contributions payable	1,427,000	1,186,000
Defined benefit pension scheme finance cost	189,000	130,000
Increase in stocks	(3,500)	-
Decrease/(increase) in debtors	164,298	(1,138,248)
Increase in creditors	698,729	870,647
Net cash provided by Operating Activities	<u>3,424,572</u>	<u>1,737,273</u>

23 Cash flows from financing activities

	2021 £	2020 £
Repayments of Salix and DfE Loans	(174,060)	(14,092)
Cash inflows from new borrowing	-	120,657
Net cash (used in)/provided by financing activities	<u>(174,060)</u>	<u>106,565</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

24 Cash flows from investing activities

	2021 £	2020 £
Interest income	601	1,542
Purchase of intangible fixed assets	-	(120)
Purchase of tangible fixed assets	(2,402,571)	(1,093,119)
Proceeds from sale of tangible fixed assets	2,000	-
Capital grants from DfE Group	700,397	672,524
Capital funding received from sponsors and others	738,930	12,108
Net cash used in investing activities	<u>(960,643)</u>	<u>(407,065)</u>

25 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	<u>5,163,144</u>	<u>2,873,275</u>
Total cash and cash equivalents	<u>5,163,144</u>	<u>2,873,275</u>

26 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	<u>2,873,275</u>	<u>2,289,869</u>	<u>5,163,144</u>
	<u>2,873,275</u>	<u>2,289,869</u>	<u>5,163,144</u>
Loans falling due within one year	(14,092)	1,340	(12,752)
Loans falling due after more than one year	<u>(191,844)</u>	<u>172,720</u>	<u>(19,124)</u>
	<u>(205,936)</u>	<u>174,060</u>	<u>(31,876)</u>
Total	<u>2,667,339</u>	<u>2,463,929</u>	<u>5,131,268</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations

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

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

Contributions amounting to £387,177 (2020 - £322,513) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

The employer's pension costs paid to TPS in the period amounted to £2,001,000 (2020: £1,856,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,514,000 (2020 - £1,289,000), of which employer's contributions totalled £1,194,000 (2020 - £1,022,000) and employees' contributions totalled £320,000 (2020 - £267,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

Due to the scheme being in deficit lump sum amounts of £224,011 (2020 - £211,033) were paid into the scheme during the year.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	2.90	2.20
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	<u>1.70</u>	<u>1.70</u>

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

	2021	2020
Retiring today		
Males retiring today	21.50	21.40
Females retiring today	24.10	22.30
Retiring in 20 years		
Males retiring in 20 years	22.80	23.60
Females retiring in 20 years	<u>25.80</u>	<u>25.10</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2021 £	At 31 August 2020 £
Discount rate -0.1%	856,000	2,873,000
Salary rate +0.1%	65,000	256,000
Pension rate +0.1%	<u>778,000</u>	<u>2,570,000</u>

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

	At 31 August 2021 £	At 31 August 2020 £
Equities	10,155,000	6,905,000
Other bonds	6,128,000	4,439,000
Property	1,051,000	740,000
Cash and other liquid assets	<u>175,000</u>	<u>247,000</u>
Total market value of assets	<u>17,509,000</u>	<u>12,331,000</u>

The actual return on scheme assets was £2,451,000 (2020 - (£234,000)).

Amounts recognised in the statement of financial activities

	2020/21 £	2017/18 £
Current service cost	2,621,000	2,208,000
Net interest cost	<u>189,000</u>	<u>130,000</u>
Total amount recognised in the SOFA	<u>2,810,000</u>	<u>2,338,000</u>

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

	2020/21 £	2019/20 £
At start of period	(21,411,000)	(7,865,000)
Transferred in on existing academies joining the trust	(3,078,000)	(10,105,000)
Current service cost	(2,621,000)	(2,208,000)
Interest cost	(440,000)	(345,000)
Employee contributions	(320,000)	(267,000)
Actuarial (gain)/loss	(5,768,000)	(727,000)
Benefits paid	<u>138,000</u>	<u>106,000</u>
At 31 August	<u>(33,500,000)</u>	<u>(21,411,000)</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

27 Pension and similar obligations (continued)

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

	2020/21 £	2019/20 £
At start of period	12,331,000	4,895,000
Transferred in on existing academies joining the trust	1,742,000	6,434,000
Interest income	251,000	215,000
Actuarial gain/(loss)	1,809,000	(396,000)
Employer contributions	1,194,000	1,022,000
Employee contributions	320,000	267,000
Benefits paid	(138,000)	(106,000)
At 31 August	<u>17,509,000</u>	<u>12,331,000</u>

28 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

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

Dracaena Centre

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

£Nil (2020 - £1,080) was paid to the Dracaena Centre in respect of services provided in the year.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due to Dracaena Centre was £Nil (2020 - £Nil).

Cornwall Education Learning Trust

(Common directorship)

During the year payments of £Nil (2020 - £41,456) were made to Cornwall Education Learning Trust for various services.

In entering into the transaction the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

At the balance sheet date the amount due from Cornwall Education Learning Trust was £Nil (2020 - £1,598).

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

29 Teaching school trading account

	2020/21 £	2019/20 £
Income		
Direct Income		
Other income	333,383	314,235
Total Income	<u>333,383</u>	<u>314,235</u>
Expenditure		
Direct costs		
Other direct costs	343,118	300,968
Total Expenditure	(343,118)	(300,968)
Transfers between funds excluding depreciation	(2,060)	-
(Deficit)/surplus from all sources	(11,795)	13,267
Teaching school balances at 1 September 2020	<u>206,343</u>	<u>193,076</u>
Teaching school balances at 31 August 2021	<u><u>194,548</u></u>	<u><u>206,343</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

30 Transfer of existing academies into the Trust

On 1 September 2020 King Charles CoE Primary School and St Francis CoE Primary School joined Kernow Learning Multi Academy Trust. All the operations and assets and liabilities were transferred to Kernow Learning Multi Academy Trust for £Nil consideration. The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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

King Charles CoE Primary School

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Leasehold land and buildings	3,838,755	3,838,755
Furniture and equipment	30,778	30,778
Computer equipment	2,463	2,463
Assets under construction	2,888	2,888
	<u>3,874,884</u>	<u>3,874,884</u>
Other assets		
Debtors due in less than one year	18,528	18,528
Cash in bank and in hand	754,833	754,833
	<u>773,361</u>	<u>773,361</u>
Liabilities		
Creditors due in less than one year	<u>(75,153)</u>	<u>(75,153)</u>
Net assets	<u><u>4,573,092</u></u>	<u><u>4,573,092</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

30 Transfer of existing academies into the Trust (continued)

St Francis CoE Primary School

	Value reported by transferring academy trust £	Transfer in recognised £
Tangible fixed assets		
Leasehold land and buildings	5,330,629	5,330,629
Furniture and equipment	28,823	28,823
Computer equipment	3,726	3,726
Assets under construction	11,537	11,537
	<u>5,374,715</u>	<u>5,374,715</u>
Other assets		
Debtors due in less than one year	17,355	17,355
Cash in bank and in hand	682,253	682,253
	<u>699,608</u>	<u>699,608</u>
Liabilities		
Creditors due in less than one year	(54,957)	(54,957)
Net assets	<u>6,019,366</u>	<u>6,019,366</u>

The value of the pension scheme liability recognised for both schools when they joined the Academy Trust was a liability of £1,336,000. This valuation was provided by an independent actuary.

The total net assets transferred to the Academy Trust by both King Charles CoE Primary and St Francis CoE Primary when taking into account of the pension scheme liability is £9,256,458.

31 Members' liability

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