

Company Registration Number: 08634384 (England & Wales)

**MVW ACADEMY**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**MVW ACADEMY**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

The Reverend Francis Gimson  
Peter Loudwell (resigned October 2019)  
Rosemary Hawley MBE JP DL  
Sally Marsh  
Sheila Youings  
Jennifer Bowman  
Gareth Shaw

**Trustees**

Sheila Anne Youings  
The Reverend Francis Gimson  
Rosemary Hawley MBE JP DL, Parochial Church Council Redlynch representative  
Peter David Loudwell, Parochial Church Council Morgan's Vale representative  
(resigned 16 January 2020)  
Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer  
Linda Long, Support Staff representative  
Jennifer Bowman, Foundation SDBE representative  
Gareth Shaw, Chair of Trustees  
Steven John Shields, Parent (resigned 27 November 2019)  
Philip John Sack  
Lloyd Jacob Perry (resigned 27 November 2019)  
Ruth Webber  
Jill Horsburgh  
Verity Jaffray, Teaching Staff  
Anthony Bunce (appointed 1 February 2020)  
Renate James (appointed 1 February 2020)

**Company registered number**

08634384

**Company name**

MVW Academy

**Registered office**

Morgans Vale Road, Redlynch, Salisbury, Wiltshire, SP5 2HU

**Principal operating office**

Morgans Vale Road, Redlynch, Salisbury, Wiltshire, SP5 2HU

**Senior management team**

Graham Ivan Nagel-Smith, Head Teacher and Accounting Officer  
Clarissa Cranmer, Head of Finance

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

**Independent auditors**

James Cowper Kreston, 9th Floor, The White Building, 1-4 Cumberland Place, Southampton, Hampshire, SO15 2NP

**Bankers**

Lloyds Bank PLC, 38 Blue Boar Row, Salisbury, Wiltshire, SP1 1DB

**Solicitors**

Parker Bullen, 45 Castle Street, Salisbury, Wiltshire, SP1 3SS

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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

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

The school became an Academy on 1st September 2013. The trust operates an Academy for pupils aged 2-11 years serving the catchment area of Redlynch Parish. It has a pupil capacity of 119 and had a roll of 109 on the school census date. The school has a nursery department for children from 2yrs – 4yrs; the numbers fluctuate during the year with 30 being the maximum number.

**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 MVW Academy are also the directors of the charitable company for the purposes of company law.

The charitable company is registered as MVW Academy and trades as Morgan's Vale and Woodfalls Church of England Primary School.

Details of the Trustees who served during the year are included in the Reference and Administrative details on page 3.

**Members' Liability**

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

**Trustees' Indemnities**

Subject to the provisions of the companies Act 2006 s236, every Trustee or other officer of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceeding, whether civil or criminal in which judgment is given in favour or in which they are acquitted or in any connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of trust in relation to the affairs of the Academy Trust. MVW Academy has opted in to the DfE's pooled Risk Protection Arrangement (RPA).

**Method of Recruitment and Appointment or Election of Trustees**

The management of the Academy is the responsibility of the Members and Trustees who are elected and co-opted under the terms of the Articles of Association. On 1st August 2013 the Members appointed all serving Governors to continue serving as Governors/Trustees of the newly formed Academy. These Governors were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election process.

**Policies and procedures Adopted for the Induction and Training of Trustees**

Training and induction varies depending on the experience of the person. All but two of our Members are also Trustees (both Members were also past Trustees). We have an Induction booklet for new Trustees; a new Trustee is given an existing named Trustee as a guide and mentor. All Trustees regularly attend appropriate training courses provided by either the Diocese or the Local Authority.

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

**Organisational Structure**

In our Articles of Association agreed on 1st August 2013, the Members of the Academy trust comprise of:

- SDBE member\*
- The Incumbent
- PCC Member from St Mary's, Redlynch
- PCC member from St Birinus, Morgan's Vale
- Chair of Governors

\*SDBE = Salisbury Diocesan Board of Education"

The Members meet 1/2 times a year and the full Governing Body meets 4/ 5 times a year at least once per term. In addition we have two sub committees, Finance, Auditing, Buildings and Staffing Committee (FABS) and Curriculum Committee (CC) who also meet at least 4/5 times per year.

The Members and Board of Governors devolve the day to day running of the school to the Headteacher and the senior management team (STM).

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

The starting pay for the Headteacher is determined by the recommended pay scales for a school of our size. Thereafter increases in pay are determined by recommended pay scale increases following the Headteachers Performance Management. The starting salary for new staff is agreed with the Head and Trustees on appointment and any yearly increases agreed by the Head when he carries out Performance Management. However, any threshold pay rise for staff the Headteacher brings to the Trustees meeting for approval.

**Related Parties and other Connected Charities and Organisations**

MVW Academy have a "Friends of MVW", which is a fund-raising group, made up of parents, grandparents and friends of the school. They do not control or significantly influence decisions or operations of the school.

The Headteacher belongs to a group of local headteachers (Cluster group), they meet primarily to exchange ideas and support one another.

**Objects and Activities**

**Objects and aims**

To advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school (the "Academy") with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices, and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the Funding Agreement), and having regard to any advice of the Diocesan Board of Education.

The Academy provides free education and care for pupils of different abilities between the ages of 2-11 years. Our Academy prides itself on providing a happy and caring environment in which all children can express their individuality, whilst being aware of the needs of others. The school ethos is "Faith in Learning, Achievement for All", and whilst the school has a strong Church of England foundation, the children learn about other faiths and cultures in our world.

**Objectives, Strategies, and Activities**

The principal aims of the Academy for the year ending 31st August 2020 were:

Quality of Education

Writing – continuing to bring writing up to the same levels as Reading and Maths

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

Behaviour and Attitudes

Forest Schools – integrating Forest Schools into school life and making the most of all children in the school receiving Forest School Sessions (EY/KS1 every week, KS2 on rotation 2 terms out of 6)

Personal Development

Mental Health – carrying out an audit promoted by training received in 18/19 and then putting an action plan together and making changes to support children

Leadership and Management

Curriculum mapping – continuing to ensure continuity of skills in Foundation Subjects and introducing assessment

Early Years

Bristol Standards – a full review of Bristol Standards is due in 2020 so actions for this will drive the EYSD.

Review of Events

The academic year 2019-2020 was not just another busy year, but also a year in which the school faced unique and unprecedented challenges.

The year could be seen as being split into two distinct halves: before the emergence of COVID-19 and the subsequent lockdown and then the period of schooling characterised by a necessity for distance learning and the later re-integration of pupils back into school.

Pre-COVID

Early in the year a school open morning was held which was a success with around eight families attending and a further three being given tours at other times.

The school community had an even split of 55 girls and boys. There were ten children eligible for free school meals and ten who were in receipt of pupil premium funding. Eighteen children were identified as requiring educational support with three of those having an Education, health and care plan.

In line with the schools principal aims for the year a staff training day on mental health was held where the school curriculum was evaluated. A new school intervention programme was introduced named Heartsmart. A school safeguarding audit was completed in line with requirements from the Keeping Children Safe in Education document.

The school had appointed an NQT to cover the maternity leave of a teacher in the school. This teacher had also been the SENCo, and this role was now adopted by the Headteacher.

Lockdown education and pupil reintegration

Obviously, once the affects of the COVID pandemic started to make an impact upon the national education agenda there was a significant impact upon the education of the pupils in the school. With the introduction of the national lockdown from before Easter 2020, the school needed to be very creative with how it would meet the needs of the children within its community.

The school had already adopted a number of online platforms to support pupils with home learning and for communication with parents. These included the use of 'SeeSaw' for KS1 and KS2 children and 'Tapestry' for the children within the EYFS provision. There were further online applications that children could access for spellings, maths and phonics.

Although many of these programmes had been used prior to lockdown, they were now needing to be established as the main mechanism for direct teaching and communication with pupils. This was no small undertaking, but one the teaching staff in the school rose to.

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

Communication with parents was key: from the first moment the school, had a strong steer towards identifying this period as 'home-based learning' rather than 'home-schooling'. Staff predominantly used the 'Seesaw' app to plan and share lessons with children. Some staff used videos to teach aspects of the curriculum that would be difficult following visual resources such as phonics and when considering younger children. Teachers marked worked using 'SeeSaw' online.

The school remained in contact with vulnerable children through regular telephone calls. A class for children of keyworkers was created and those children within the Mini Morgan's provision who had older siblings were also admitted.

When the government directive changed to encourage schools to re-open a reintegration plan was created. The school was able to accommodate 78 pupils and the number that actually accepted the places was close to this.

The school began to look to September and put plans in place for how additional staffing and interventions could be put in place for supporting those pupils whose education had been disadvantaged by the extended period of home learning through lockdown.

Teacher assessment of Year 6 pupils suggested that 78% would have met the expected standard in reading, writing and maths.

#### **Public Benefit**

The Governors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising this guidance when reviewing the Academy's aims and objectives, and in planning its future activities.

#### **Strategic Report**

##### **Achievements and Performance**

The School has a robust system for checking progress and expects all pupils, regardless of ability, belief, gender, race, background or disability, to make 'Good' or better than expected academic progress. Children are assessed based on teachers' professional judgment at least three times a year and pupils are given additional support if they make 'Expected' rather than 'Good' progress. The school uses a variety of literacy and numeracy interventions delivered by a combination of the Class Teacher and Teaching Assistants.

Within the school there were 10 children who were in receipt of pupil premium funding. 18 were receiving SEN support and 3 with Education, health and care plans. Due to the extended period of lockdown it has been hard to assess the current academic progress of those children and this is a priority for the next academic year.

Pupil Premium funds have been spent on staffing and educational resources to support pupils who are vulnerable to not making 'Good' progress. Investment in staff also helps to keep group sizes small for phonics and core maths. This gives vulnerable children the chance to keep up rather than catch up.

The school also has an ELSA and she works with many of the children entitled to PP supporting their emotional wellbeing which enables them to learn more effectively.

##### **Key Performance Indicators**

The school uses a variety of teaching strategies in order to ensure children make good progress. These include using small group teaching groups for both reading (through the Read, Write, Inc. approach) and the Big Maths scheme. A variety of additional digital interventions are also used, for example, the 'Spelling Shed' app.

A focus for this year has been Writing and staff attended and cascaded training on writing and expectations around ARE. Years one and four were identified as particularly vulnerable year groups.



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

Data for writing over the year did not reflect the effort that went into addressing this need. There are a number of possible factors for this including the national lockdown and with a renewed scrutiny on this area a higher expectation. In response to this a vulnerability report for Writing has been completed following % of Expected Standard writing continuing to decline (April 2020: Whole: 64%, KS1: 54%, KS2: 67%), the school benchmark is 75%.

There were 33 children currently not on track to make the Expected Standard at the end of their Year group, with 4 of those who don't have a significant barrier to writing. This translates to 4%. Therefore, to meet a 75% target, 6 children with a specific barrier to writing will need to move to meeting the criteria for Expected Standard, which in part explains why this has been a difficult target to achieve.

Writing was the subject area that lockdown had the greatest effect upon. Many children who were not expected to make ARE in their chronological year at assessment in March 2020 have had limited or no engagement with home learning during lockdown (out of the 33 children: 19 had little or no engagement with home learning and 10 will not return to school until September).

End of year data demonstrated:

Those children who would have completed Key Stage 2 assessments, across Reading, Writing, Maths and when looking at ARE, 78% met the expected standard and 22% were judged to be below or working at greater depth.

In Key Stage 1:

90% of children met expected standards of reading, 50% for writing and 60% for maths.

20% of children were working at greater depth in reading, though no children were working at this level for writing or maths.

10% of children were below standards for reading, 50% for writing and 40% for maths, making this a clear group in need for further development next year.

Within the EYFS, 90% of children met the expected standard for phonics, but only 44% achieved a 'Good Level of Development'.

**Going Concern**

After making appropriate enquiries, the Governing Body 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.

There has been significant anxiety about the effects that the global pandemic COVID-19 may have on the school. This may have a detrimental impact upon children's attainment due to there being significant amounts of time over the year where children have not been able to attend school. The school put in place a detailed action plan and risk assessment to mitigate against this. A phased return over the second half of the summer term was accomplished and the majority of children (78) did receive some in school education before the end of the school year. However, there were some key dates in the traditional school calendar that were missed such as sports day and the leavers tea.

**Financial Review**

Our GAG income for 19/20 will be based on 100 pupils which is down from the previous year, when our GAG was based on 106 pupils. Our GAG income for 2019/20 was £405,477, which was £33,974 down on the previous year; we were also pleased to receive the Sports premium again this year (£16,880) which makes a big difference to small schools ability to provide sporting activities. We had an overspend of £12,110.95 on staffing. However, we had a slight profit of £2,205 on the nursery.

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

We bought more ipads for school this year, some outdoor equipment for Reception and Nursery but not major items. Our boiler has had a few problems and required work in the summer, we have some guttering to replace but no major outlays.

**Reserves Policy**

We are a small school therefore our budget deals with relatively small numbers. Our reserves policy is to ensure that there is sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as building repair, plus extra staffing requirements such as maternity cover. The level of reserves held at the year end was £3,091,667. Of this figure £44,051 represents unrestricted reserves and £7,057 restricted reserves, excluding the pension obligation. We have reviewed these reserve levels and believe that they are sufficient. Any money, like the contingency fund, which is not immediately required, is put into a deposit account.

**Investment Policy**

As stated under the Reserves Policy we are a small school and our aim is to spend the public monies with which we are entrusted for the direct educational benefit of our pupils. The school does not consider the investment of surplus funds as a primary activity; rather it is the result of good stewardship. Our guidelines on investment are:

Where the cash flow identifies a base level of cash funds that will be surplus to requirements for at least a 12 week period the surplus may be invested in an interest bearing account in a UK regulated bank. For our school we use the Lloyds Bank. Obviously, if we consider our funds healthy and school requires work or the purchase of a major piece of equipment cash will be used for the need.

**Principal Risks and Uncertainties**

The principal risks and uncertainties facing the Academy remain the same as in previous years namely:

**Financial:** the Academy has considerable reliance on government funding as almost all funding is ultimately government funded, and whilst the current level of funding is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

**Pupils:** the continuing success of the Academy is heavily reliant on the continuing success of its pupils and its good reputation in its locality. To mitigate this risk the Governors, Headteacher and Staff ensure that pupil success and achievement are closely monitored and reviewed, and that the school continues to have a positive profile in the local community. This year we commissioned a short film about the school to add to the school's website. This work was entirely funded through giving from local businesses.

**Safeguarding and Child Protection:** the Governors continue to ensure that the highest standards are maintained in the areas of selection and monitoring staff, the operation of child protection policies and procedures, health safety and discipline.

**Staffing:** the success of the Academy is reliant on the quality of its staff. The Governors monitor and review policies and procedures to ensure the continued development of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds:** The Academy has appointed an external adviser to carry out checks on its financial systems and records as required by the Academy Financial Handbook. Financial staff receive training to keep them up to date with financial practice requirements and to develop their skills.

**Failures in Governance and/or Management:** the risk would be from potential failure to effectively manage the Academy's finances, and non compliance with regulations, legislation and statutory returns etc. The governors continue to review and ensure that appropriate measures are in place to mitigate any such risks.

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

**Fundraising**

Fund raising at MVW Academy is on a very minimal level, and is restricted to "Friends of the School" which is a body made up of parents of pupils at the school. They raise funds of about £5,000 pa, money which is spent on school items or events. They hold various events during the school year; their activities are social fundraisers, aimed primarily at parents and friends of the school.

**Plans for the future**

Our plans for the future centre on moving our school from Ofsted's judgment of "Good with Outstanding elements" to "Outstanding". This entails building on the foundations we have in place whilst maintaining a happy, well balanced, well behaved, caring school environment.

Our plans for the coming year include ensuring that pupils work across the curriculum is of a high quality and that pupils with SEND achieve exceptionally well. We continue to work on improving writing especially for boys, who do not achieve the same standards as the girls. Children's mental health and physical well being is evaluated and improved where and when necessary. Forest School type learning is rolled out across the school and that outdoor space is enabled for use in the winter months.

This year, there is an additional risk posed to the school by:

**COVID-19**

The COVID-19 pandemic has posed a significant risk to the school. Some of the financial risk is limited as there will be 'catch-up' funding from central government available to support pupils. Over the initial lockdown period all school staff were still paid and the school was receiving the same funding. There was some financial savings over this time as there was a decrease in utility use. The school had a surplus at the end of the financial year and some of this money was spent on air filters for each classroom in anticipation of required measures in the following academic years autumn term. There was additional money spent on the purchase of more iPads which now enables all children in the school to have their own device which will support the more socially-distanced learning methods that are necessary at the current time.

**Funds held as Custodian Trustee on Behalf of Others**

MVW Academy does not hold any funds on behalf any other person, charity, or business.

**Auditor**

Insofar as the Trustees are aware:

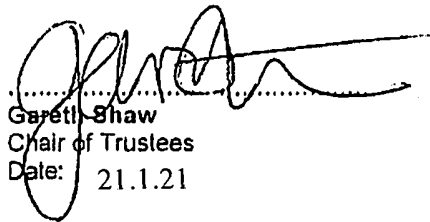
- there is no relevant audit information, of which the charitable company's auditor is unaware,
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

We have appointed as our Auditors: James Cowper Kreston Accountants and Business Advisers, Southampton.

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

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



Gareth Shaw  
Chair of Trustees  
Date: 21.1.21

**MVW ACADEMY**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, 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 MVW Academy 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**

We have had three governor resignations during the year, though each of these positions has been filled and we therefore we have a full complement of Governor/Trustees and feel that we have a balanced skill set across the Governing Board. The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The governing body has formally met 4 times during the year.

Attendance during the year at meetings of the governing body was as follows:

**Meeting Attendance : September 2019– July 2020**

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

Trustees – Members Meeting	Meetings attended	Out of a possible
Mrs S Marsh	0	1
Mrs S Youngs – Chair of Governors	1	1
Rev. F Gimson – Incumbent	1	1
Mrs R Hawley	1	1
Mrs J Bowman – SDBE	1	1

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Governors – Full Governing Body	Meetings attended	Out of a possible
Mrs S Youngs – foundation, vice chair	5	5
Mrs J Bowman - foundation	4	5
Rev'd F Gimson - Incumbent	3	5
Mrs R Hawley - foundation	5	5
Mr Graham Nagel-Smith – Head teacher	5	5
Mrs V Jaffray - teacher	2	5
Mrs L Long - TA	2	5
Mr G Shaw – parent, chair	5	5
Mr P Sack - foundation	5	5
Mrs R Webber - foundation	2	5
Mrs J Horsburgh - foundation	4	5
Mr L Perry – foundation (Resigned Nov 2019)	1	1
Mr S Shields – parent (Resigned Nov 2019)	1	1
Mr A Bunce – parent (Appointed Feb 2020)	2	2
Mrs R James – foundation (Appointed Feb 2020)	2	2

Governors – AGM – Full Governing Body	Meetings attended	Out of a possible
Mrs S Youngs	1	1
Mrs J Bowman	1	1
Rev'd F Gimson	1	1
Mrs R Hawley	1	1
Mr Graham Nagel-Smith	1	1
Mrs V Jaffray	0	1
Mrs L Long	0	1
Mr G Shaw	1	1
Mr P Sack	1	1
Mrs R Webber	1	1
Mrs J Horsburgh	1	1

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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

The Finance, Staffing and Buildings Committee is a sub-committee of the main governing body. Its purpose is to review the financial position of the Academy and the system of internal controls.

Attendance at meetings in the year was as follows:

Governors – Finance, Staffing and Buildings	Meetings attended	Out of a possible
Mrs S Youings	4	4
Mr P Sack, chair	4	4
Mr S Shields (Resigned Nov 2019)	1	1
Mr G Nagel-Smith	4	4
Mr L Perry (Resigned Nov 2019)	1	1
Mrs J Horsburgh	4	4
Mr A Bunce (Appointed Feb 2020)	2	2

Governors – Curriculum and Standards	Meetings attended	Out of a possible
Mrs R Hawley, chair	4	4
Mrs J Bowman	4	4
Mrs S Youings	4	4
Mr G Nagel-Smith	4	4
Mr G Shaw	4	4
Mrs R Webber	3	4
Mr L Perry (Resigned Nov 2019)	1	1
Mrs R James (Appointed Feb 2020)	1	2

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**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

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

The Accounting Officer considers how the academy'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 has delivered improved value for money during the year by:

- Ensuring that three quotes are always obtained for significant purchases to gain the best price for resources and services so our income goes further and supports more of the items children require to learn effectively.
- Reviewing our contracts and services to ensure we have the best quality support, environment and infrastructure to support the learning of the children;
- Collaborating with local schools to secure more cost effective resources or to attract better quality resources and services.

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

All of the Members bar two act as Governors, and being a small school in a village community, we are all very involved in the life of the school. Our role is to support and guide the school and leave the day-to-day running of the school to the Headteacher. That being said all trustees are often in school and the Head communicates any issues within school at an early stage so that potential problems are dealt with before they can escalate. Due to Covid restrictions this year Governors were unable to access school as often as usual, however our meetings during the lockdown period continued virtually.

Our 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 ongoing process designed to identify and prioritise the risks being realised and the impact should they be realised, and to manage them effectively, efficiently, and economically. The system of internal control has been in place in MVW Academy for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governors of the Board of Trustees. regular reviews by the Finance, Staffing and Buildings Committee (FABS) of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;



**MVW ACADEMY**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

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

- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks
- clearly defined purchasing (asset purchase or capital investment) guidelines.

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Mr. Philip Sack, a Chair of FABS, as reviewer, he carried out this role from September 2019 until April 2020. The reviewer's role is to perform a range of additional checks on the Academy Trust's financial systems.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a termly basis, the reviewer reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees's financial responsibilities.

In particular the checks carried out in the current period included:

- testing of the payroll system
- testing of the purchase system
- testing of control account/bank reconciliations

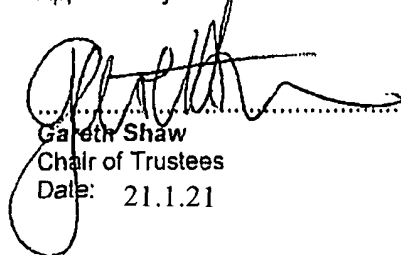
**Review of effectiveness**


As accounting officer, the Headteacher 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 Chair of FABS;
- the work of the reviewer;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees and signed on their behalf by:

  
Gareth Shaw  
Chair of Trustees  
Date: 21.1.21

  
Graham Van Nagel-Smith  
Accounting Officer  
Date 21.1.21

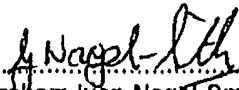
**MVW ACADEMY**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

  
.....  
Graham Ivan Nagel-Smith  
Accounting Officer  
Date: 21.1.21

**MVW ACADEMY**  
(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE PERIOD ENDED 31 AUGUST 2020**

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

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

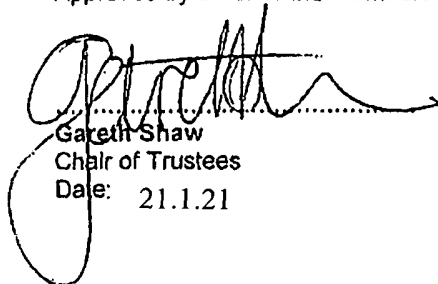
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



Gareth Shaw  
Chair of Trustees  
Date: 21.1.21

**MVW ACADEMY**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW ACADEMY**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**MVW ACADEMY**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW ACADEMY (CONTINUED)**

**Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

**MVW ACADEMY**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MVW  
ACADEMY (CONTINUED)**

**Responsibilities of trustees**

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

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

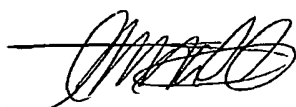
**Auditors' responsibilities for the audit of the financial statements**

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

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

**Use of our report**

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



**Louise Hallsworth FCA (Senior statutory auditor)**  
for and on behalf of  
**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor  
9th Floor

The White Building  
1-4 Cumberland Place  
Southampton  
Hampshire  
SO15 2NP

Date: 22/01/2021

**MVW ACADEMY**  
**(A company limited by guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MVW  
ACADEMY AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by MVW Academy during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of MVW Academy's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of MVW Academy's funding agreement with the Secretary of State for Education dated 30 August 2013 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 Issued by 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.

**MVW ACADEMY**  
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MVW  
ACADEMY AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

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

*James Cowper Kreston*

**James Cowper Kreston**  
Chartered Accountants and Statutory Auditor

9th Floor  
The White Building  
1-4 Cumberland Place  
Southampton  
Hampshire  
SO15 2NP

Date: 22/01/2021



**MVW ACADEMY**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>						
Donations and capital grants	3	-	-	5,136	5,136	11,542
Charitable activities	4	19,265	565,080	-	584,345	603,698
Other trading activities	5	7,336	-	-	7,336	10,905
Investments	6	41	-	-	41	54
<b>Total income</b>		<b>26,642</b>	<b>565,080</b>	<b>5,136</b>	<b>596,858</b>	<b>626,199</b>
<b>Expenditure on:</b>						
Charitable activities	7,8	4,558	623,662	86,550	714,770	704,765
<b>Total expenditure</b>		<b>4,558</b>	<b>623,662</b>	<b>86,550</b>	<b>714,770</b>	<b>704,765</b>
<b>Net income/(expenditure)</b>		<b>22,084</b>	<b>(58,582)</b>	<b>(81,414)</b>	<b>(117,912)</b>	<b>(78,566)</b>
Transfers between funds	16	(32,558)	27,323	5,235	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(10,474)</b>	<b>(31,259)</b>	<b>(76,179)</b>	<b>(117,912)</b>	<b>(78,566)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	22	-	(32,000)	-	(32,000)	(37,000)
<b>Net movement in funds</b>		<b>(10,474)</b>	<b>(63,259)</b>	<b>(76,179)</b>	<b>(149,912)</b>	<b>(115,566)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		54,525	(84,684)	3,271,738	3,241,579	3,357,145
Net movement in funds		(10,474)	(63,259)	(76,179)	(149,912)	(115,566)
<b>Total funds carried forward</b>		<b>44,051</b>	<b>(147,943)</b>	<b>3,195,559</b>	<b>3,091,667</b>	<b>3,241,579</b>

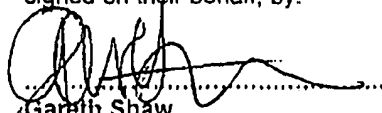
The notes on pages 26 to 46 form part of these financial statements.

**MVW ACADEMY**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08634384**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	3,195,559	3,271,738
		<u>3,195,559</u>	<u>3,271,738</u>
<b>Current assets</b>			
Debtors	14	12,326	7,536
Cash at bank and in hand	20	62,279	95,791
		<u>74,605</u>	<u>103,327</u>
Creditors; amounts due within one year	15	(23,497)	(30,486)
<b>Net current assets</b>		<u>51,108</u>	<u>72,841</u>
<b>Total assets less current liabilities</b>		<u>3,246,667</u>	<u>3,344,579</u>
<b>Net assets excluding pension liability</b>		<u>3,246,667</u>	<u>3,344,579</u>
Defined benefit pension scheme liability	22	(155,000)	(103,000)
<b>Total net assets</b>		<u><u>3,091,667</u></u>	<u><u>3,241,579</u></u>
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	16	3,195,559	3,271,738
Restricted income funds	16	7,057	18,316
Pension reserve	16	(155,000)	(103,000)
<b>Total restricted funds</b>	16	<u>3,047,616</u>	<u>3,187,054</u>
<b>Unrestricted income funds</b>	16	<u>44,051</u>	<u>54,525</u>
<b>Total funds</b>		<u><u>3,091,667</u></u>	<u><u>3,241,579</u></u>

The financial statements on pages 23 to 46 were approved and authorised for issue by the trustees and are signed on their behalf, by:

  
 Gareth Shaw  
 Chair of Trustees  
 Date: 21.1.21

The notes on pages 26 to 46 form part of these financial statements.

**MVW ACADEMY**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	18	(22,850)	(794)
<b>Cash flows from investing activities</b>	19	(10,330)	(13,312)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		(33,180)	(14,106)
Cash and cash equivalents at the beginning of the year		95,791	109,897
<b>Cash and cash equivalents at the end of the year</b>	20, 21	<hr/> <b>62,611</b> <hr/>	<hr/> <b>95,791</b> <hr/>

The notes on pages 26 to 46 form part of these financial statements

**MVW ACADEMY**  
**(A company limited by guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

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

**1.3 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

**MVW ACADEMY**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

• **Grants**

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

• **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 in which it is receivable and to the extent the goods have been provided or on completion of the service.

**1.5 Expenditure**

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

• **Charitable activities**

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

All expenditure is inclusive of irrecoverable VAT.

**MVW ACADEMY**  
(A company limited by guarantee)

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

**1. Accounting policies (continued)**

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long-term leasehold property	- Land : Straight line over 125 years
	- Buildings : Straight line over 50 years
Motor vehicles	- 5 years straight line
Computer equipment, fixtures & fittings	- 3 years straight line

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

**1.7 Interest receivable**

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

**1.8 Cash at bank and in hand**

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

**MVW ACADEMY**  
**(A company limited by guarantee)**

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

**1. Accounting policies (continued)**

**1.9 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

**1.10 Pensions**

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

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

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

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

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

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

Critical accounting estimates and assumptions:

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

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

	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Capital Grants	5,136	5,136	11,542
	<hr/>	<hr/>	<hr/>
Total 2019	11,542	11,542	
	<hr/>	<hr/>	



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**4. Funding for the academy trust's education operation**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	422,357	422,357	439,451
Other DfE/ESFA Grants	-	77,924	77,924	61,994
Local Authority Grants	-	64,799	64,799	70,743
Income from insurance claims	150	-	150	750
Catering Income	5,420	-	5,420	8,213
Parental contributions - school trips, pre - school and fund raising	13,165	-	13,165	22,241
Sale of school uniforms	530	-	530	306
<b>Other funding</b>	<b>19,265</b>	<b>565,080</b>	<b>584,345</b>	<b>603,698</b>
<b>Total 2019</b>	<b>31,510</b>	<b>572,188</b>	<b>603,698</b>	

**5. Income from other trading activities**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Mini Morgans Nursery and other income	7,336	7,336	10,905
<b>Total 2019</b>	<b>10,905</b>	<b>10,905</b>	

**6. Investment income**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest received	41	41	54
<b>Total 2019</b>	<b>54</b>	<b>54</b>	

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**7. Expenditure**

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
<b>Education operation:</b>					
Direct costs	454,351	72,068	46,385	572,804	539,936
Support costs	47,207	41,492	53,267	141,966	164,829
<b>Total 2020</b>	<b>501,558</b>	<b>113,560</b>	<b>99,652</b>	<b>714,770</b>	<b>704,765</b>
<b>Total 2019</b>	<b>465,821</b>	<b>114,829</b>	<b>124,115</b>	<b>704,765</b>	

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**8. Analysis of expenditure by activities**

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Education operations	572,804	141,966	714,770	704,765
Total 2019	539,936	164,829	704,765	

**Analysis of direct costs**

	Education operations 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	1,449	1,449	734
Staff costs	454,351	454,351	417,482
Depreciation	72,068	72,068	72,068
Technology costs	3,504	3,504	3,663
Educational supplies	27,439	27,439	25,458
Staff development	1,761	1,761	3,308
Other direct costs	12,232	12,232	17,223
Total 2020	572,804	572,804	539,936
Total 2019	539,936	539,936	

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Education operations 2020 £	Total funds 2020 £	Total funds 2019 £
Pension finance costs	551	551	266
Staff costs	47,207	47,207	48,339
Depreciation	14,482	14,482	11,933
Technology costs	2,308	2,308	2,328
Maintenance of premises and equipment	9,283	9,283	14,411
Cleaning	17,324	17,324	15,802
Rent and rates	3,123	3,123	2,906
Energy costs	5,391	5,391	5,700
Insurance	3,400	3,400	3,939
Security and transport	797	797	1,471
Other support costs	32,686	32,686	51,210
Governance costs	5,414	5,414	6,524
<b>Total 2020</b>	<b>141,966</b>	<b>141,966</b>	<b>164,829</b>
<b>Total 2019</b>	<b>164,829</b>	<b>164,829</b>	

During the year ended 31 August 2020, the academy incurred the following Governance costs: £5,414 (2019: £6,524). These costs relate to the audit of the financial statements and other professional fees.

**9. Net expenditure**

Net expenditure for the year includes:

	2020 £	2019 £
Depreciation of tangible fixed assets	86,550	84,001
Fees paid to auditors for:		
- audit	4,120	4,000
- other services	750	1,640

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**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	368,465	359,290
Social security costs	28,110	26,725
Pension costs	104,983	79,806
	<u>501,558</u>	<u>465,821</u>

**b. Staff numbers**

The average number of persons employed by the academy trust during the year was as follows:

	2020 No.	2019 No.
Teachers	5	6
Administration and support	16	17
Management	2	2
	<u>23</u>	<u>25</u>

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**10. Staff (continued)**

**c. Higher paid staff**

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	1

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £153,739 (2019 : £138,287).

**11. Trustees' remuneration and expenses**

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

		2020 £	2019 £
Linda Long, staff trustee	Remuneration	10,000 - 15,000	15,000 - 20,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Verity Jaffray, staff trustee	Remuneration	30,000 - 35,000	30,000 - 35,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Graham Ivan Nagel-Smith, Head Teacher	Remuneration	60,000 - 65,000	55,000 - 60,000
	Pension contributions paid	10,000 - 15,000	5,000 - 10,000

During the year ended 31 August 2020, no trustee expenses have been incurred (2019 - £NIL).

**12. Trustees' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover:

Governors' liability - up to £10,000,000 on any loss and any one membership year;

Professional indemnity - unlimited;

Employee and third party dishonesty - £500,000 any one loss and any one membership year. The cost for the year ended 31 August 2020 was included in the total insurance cost.

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**13. Tangible fixed assets**

	Buildings £	Computer equipment, fixtures and fittings £	Motor vehicles £	Total £
<b>Cost or valuation</b>				
At 1 September 2019	3,603,393	70,858	7,300	3,681,551
Additions	-	2,971	7,400	10,371
At 31 August 2020	<u>3,603,393</u>	<u>73,829</u>	<u>14,700</u>	<u>3,691,922</u>
<b>Depreciation</b>				
At 1 September 2019	355,053	47,460	7,300	409,813
Charge for the year	72,067	13,003	1,480	86,550
At 31 August 2020	<u>427,120</u>	<u>60,463</u>	<u>8,780</u>	<u>496,363</u>
<b>Net book value</b>				
At 31 August 2020	<u>3,176,273</u>	<u>13,366</u>	<u>5,920</u>	<u>3,195,559</u>
At 31 August 2019	<u>3,248,340</u>	<u>23,398</u>	<u>-</u>	<u>3,271,738</u>

**14. Debtors**

	2020 £	2019 £
<b>Due within one year</b>		
Prepayments and accrued income	10,371	5,691
Tax recoverable	1,955	1,845
	<u>12,326</u>	<u>7,536</u>

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

	2020 £	2019 £
Other taxation and social security	7,225	6,728
Accruals and deferred income	16,272	23,758
	<u>23,497</u>	<u>30,486</u>

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**15. Creditors: Amounts falling due within one year (continued)**

	2020 £	2019 £
	2020 £	2019 £
<b>Deferred Income</b>		
Deferred income at 1 September 2019	7,508	11,155
Resources deferred during the year	8,822	7,508
Amounts released from previous periods	(7,508)	(11,155)
<b>Deferred Income at 31 August 2020</b>	<u><u>8,822</u></u>	<u><u>7,508</u></u>

At the balance sheet date the academy was holding funds received in advance for a school trip, the canteen and universal Infant free school meals to be supplied in the Autumn term 2020.



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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Statement of funds**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>Unrestricted funds</b>						
General funds	54,525	26,642	(4,558)	(32,558)	-	44,051
<b>Restricted general funds</b>						
General Annual Grant (GAG)	18,316	405,477	(451,116)	27,323	-	-
Other ESFA/DfE grants	-	77,924	(77,924)	-	-	-
Local authority grants	-	64,799	(64,799)	-	-	-
PE and sports premium (GAG)	-	16,880	(9,823)	-	-	7,057
Pension reserve	(103,000)	-	(20,000)	-	(32,000)	(155,000)
	<u>(84,684)</u>	<u>565,080</u>	<u>(623,662)</u>	<u>27,323</u>	<u>(32,000)</u>	<u>(147,943)</u>
<b>Restricted fixed asset funds</b>						
Fixed asset fund	3,271,738	5,136	(86,550)	6,235	-	3,195,559
<b>Total Restricted funds</b>	<u>3,187,054</u>	<u>570,216</u>	<u>(710,212)</u>	<u>32,558</u>	<u>(32,000)</u>	<u>3,047,616</u>
<b>Total funds</b>	<u>3,241,579</u>	<u>596,858</u>	<u>(714,770)</u>	<u>-</u>	<u>(32,000)</u>	<u>3,091,667</u>

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

**Unrestricted funds**

These funds are for the general use of the academy and may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the trustees.

**Restricted funds**

The General Annual Grant represents funding received from the ESFA during the year in order to fund the continuing activities of the academy.

Other DfE/ESFA grants include pupil premium to cater for disadvantaged pupils, and Universal Infant Free School Meals funding.

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

Local authority grants include pre-school funding from Wiltshire Council.

Restricted funds also include the LGPS pension scheme provisions of £155,000.

**Restricted fixed asset funds**

These funds represent fixed assets transferred on conversion to academy status from Wiltshire Council together with DfE/ESFA capital grants which include Devolved Formula Capital and Condition Improvement Funding (CIF) which must be used for capital purposes. The fund represents the net book value of the tangible fixed assets.

**Fund transfers**

During the year funds were transferred from unrestricted to restricted fixed assets to fund capital purchases within the year.

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

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Unrestricted funds</b>						
General funds	20,540	42,469	(6,660)	(1,824)	-	54,525
<b>Restricted general funds</b>						
General Annual Grant (GAG)	46,232	439,451	(467,367)	-	-	18,316
Other ESFA/DfE grants	-	61,994	(61,994)	-	-	-
Local authority grants	-	70,743	(70,743)	-	-	-
Pension reserve	(52,000)	-	(14,000)	-	(37,000)	(103,000)
	(5,768)	572,188	(614,104)	-	(37,000)	(84,684)
<b>Restricted fixed asset funds</b>						
Fixed asset fund	3,342,373	11,542	(84,001)	1,824	-	3,271,738

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>Total Restricted funds</b>	<b>3,336,605</b>	<b>583,730</b>	<b>(698,105)</b>	<b>1,824</b>	<b>(37,000)</b>	<b>3,187,054</b>
<b>Total funds</b>	<b>3,357,145</b>	<b>628,199</b>	<b>(704,765)</b>	<b>-</b>	<b>(37,000)</b>	<b>3,241,579</b>

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

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	3,195,559	3,195,559
Current assets	46,311	28,294	-	74,605
Creditors due within one year	(2,260)	(21,237)	-	(23,497)
Pension scheme liability	-	(155,000)	-	(155,000)
<b>Total</b>	<b>44,051</b>	<b>(147,943)</b>	<b>3,195,559</b>	<b>3,091,667</b>

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

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	3,271,738	3,271,738
Current assets	54,525	48,802	-	103,327
Creditors due within one year	-	(30,486)	-	(30,486)
Pension scheme liability	-	(103,000)	-	(103,000)
<b>Total</b>	<b>54,525</b>	<b>(84,684)</b>	<b>3,271,738</b>	<b>3,241,579</b>

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

	2020 £	2019 £
Net expenditure for the period (as per Statement of financial activities)	(117,912)	(78,566)
<b>Adjustments for:</b>		
Depreciation	86,549	84,001
Interest receivable	(41)	(54)
Defined benefit pension scheme finance cost	20,000	14,000
(Increase)/decrease in debtors	(4,790)	4,939
Decrease in creditors	(6,656)	(25,114)
<b>Net cash used in operating activities</b>	<b>(22,850)</b>	<b>(794)</b>

**19. Cash flows from investing activities**

	2020 £	2019 £
Dividends, interest and rents from investments	41	54
Purchase of tangible fixed assets	(10,371)	(13,366)
<b>Net cash used in investing activities</b>	<b>(10,330)</b>	<b>(13,312)</b>

**20. Analysis of cash and cash equivalents**

	2020 £	2019 £
Cash in hand	62,611	95,791
<b>Total cash and cash equivalents</b>	<b>62,611</b>	<b>95,791</b>

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

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	95,791	(33,512)	62,279
	<b>95,791</b>	<b>(33,512)</b>	<b>62,279</b>

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**22. Pension commitments**

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

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

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £43,440 (2019 - £35,865).

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

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £34,000 (2019 - £38,000), of which employer's contributions totalled £29,000 (2019 - £31,000) and employees' contributions totalled £ 5,000 (2019 - £7,000). The agreed contribution rates for future years are 25 per cent for employers and between 5.5 and 12.5 per cent for employees.

As described in note 1.10 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

**Principal actuarial assumptions**

	2020	2019
	%	%
Rate of increase in salaries	2.70	2.60
Rate of increase for pensions in payment/inflation	2.30	2.30
Discount rate for scheme liabilities	1.70	1.80

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

	2020	2019
	Years	Years
Retiring today		
Males	21.7	21.4
Females	24.0	23.7
Retiring in 20 years		
Males	22.5	22.3
Females	25.5	25.1

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. Pension commitments (continued)**

**Share of scheme assets**

The academy trust's share of the assets in the scheme was:

	2020 £	2019 £
Equities	192,000	223,000
Bonds	109,000	44,000
Property	41,000	41,000
Cash and other liquid assets	-	6,000
<b>Total market value of assets</b>	<b>342,000</b>	<b>314,000</b>

The actual return on scheme assets was £1,000 (2019 - £11,000).

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

	2020 £	2019 £
Current service cost	(47,000)	(42,000)
Past service cost	-	(2,000)
Interest income	6,000	8,000
Interest cost	(8,000)	(9,000)
Employers contributions	29,000	31,000
<b>Total amount recognised in the Statement of financial activities</b>	<b>(20,000)</b>	<b>(14,000)</b>

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

	2020 £	2019 £
Opening defined benefit obligation	417,000	311,000
Current service cost	47,000	42,000
Interest cost	8,000	9,000
Employee contributions	6,000	7,000
Actuarial losses	31,000	48,000
Benefits paid	(2,000)	(2,000)
Past service costs	-	2,000
<b>Closing defined benefit obligation</b>	<b>507,000</b>	<b>417,000</b>

**MVW ACADEMY**  
(A company limited by guarantee)

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

**22. Pension commitments (continued)**

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2020 £	2019 £
Opening fair value of scheme assets	314,000	259,000
Interest income	6,000	8,000
Actuarial (losses)/gains	(1,000)	11,000
Employer contributions	29,000	31,000
Employee contributions	6,000	7,000
Benefits paid	(2,000)	(2,000)
<b>Closing fair value of scheme assets</b>	<b>352,000</b>	<b>314,000</b>

The net movement in defined benefit obligations and the academy's share of scheme assets totals £52,000 (2019: £51,000).

Actuarial losses on defined benefit obligations and the academy's share of scheme assets totals £32,000 (2019: £37,000).

**23. Members' liability**

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

**24. Related party transactions**

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