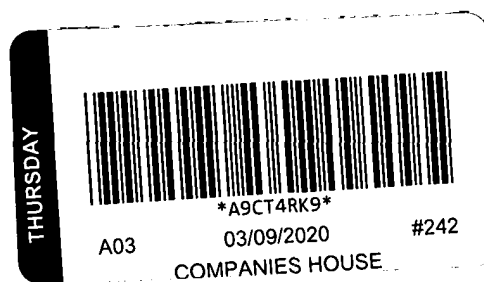


Company Registration Number: 11842925 (England & Wales)

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019



THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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THE NENE VALLEY PARTNERSHIP
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Hicks D Boshier R Sutton (resigned 30 September 2019) C Lewis
Trustees	J Birkett, Chief Executive Officer (appointed 22 February 2019) M Clements (appointed 22 February 2019) K Coleman (appointed 22 February 2019) P Dudley-Smith (appointed 22 February 2019) J Hakes (appointed 22 February 2019) C Hicks, Chair of Trustees (appointed 1 April 2019) R Watts (appointed 22 February 2019)
Company registered number	11842925
Company name	The Nene Valley Partnership
Principal and registered office	Wollaston School Irchester Road Wollaston Northamptonshire NN29 7PH
Senior management team	J Birkett, Chief Executive Officer W Taylor, Chief Financial Officer J Alison, Headteacher, Irchester Community Primary School G Morton, Headteacher, Bozeat Community Primary School
Independent auditors	Cooper Parry Group Limited Chartered Accountants Statutory Auditors Park View One Central Boulevard Blythe Valley Park Solihull West Midlands B90 8BG
Bankers	Lloyds Bank plc 48 Market Street Wellingborough NN8 1AG
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 22 February 2019 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

The Nene Valley Partnership ('Trust') ('NVP') operates two primary academies and one secondary academy serving a close geographical area, just south of Wellingborough, Northamptonshire. The Trust provides an education for children aged 4 -18 and has a combined capacity of 2,016 pupils. The current number of students on roll is 1,985.

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 Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company is known as the Nene Valley Partnership. Details of the Trustees who served throughout the period and to the date the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

The Academy Trust has opted into the Department for Education's ('DfE') Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees and the Local Governing Body members from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

The Trust shall have the following Trustees, as set out in its Articles of Association and funding agreement:

- up to 9 Trustees who are appointed by the Members;
- up to 2 Parent Trustees who are elected by parents of registered pupils at the Academy Trust;
- any number of Co-opted Trustees who are appointed by the Board of Trustees, provided that any Co-opted Trustees who are also employees of the Academy Trust do not exceed one third of the total number of Trustees.

All currently serving Trustees were appointed on formation of the Multi-Academy Trust in February 2019, by the members of the Nene Valley Partnership. In order to ensure appropriate skills and prior experience, all Trustees skills and biographies were approved by the DfE prior to approval being granted to establish the Nene Valley Partnership.

Trustees are appointed for a 4 year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected. When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

THE NENE VALLEY PARTNERSHIP
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association ('NGA') updates.

As a new Trust, all Trustees have received the NGA "Welcome to a Multi-Academy Trust" publication and have also had training from Cooper Parry regarding their role in ensuring robust financial governance.

As it is anticipated that there will only be a small number of new Trustee appointments each year, induction will be done informally and will be tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate.

A bespoke governance development program is operated which allows Trustees to meet informally as a team for training, so as to keep the Trustees updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Academy Trust. This has been limited in scope during the first period of operation to focus on core accountability training, recognising our position as a new Trust which has been open for 5 months.

Organisational Structure

At 31 August 2019, the Academy Trust comprised the following individual schools:

- Bozeat Community Primary School and Nursery
- Irchester Community Primary School
- Wollaston School

Each school joined the Nene Valley Partnership upon its establishment on 1 April 2019.

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Governance scheme of delegation was approved by the DfE prior to conversion and is used to ensure decision and scrutiny takes place at the correct level. The scheme of delegation will be reviewed and approved annually, in April of each year.

The Board of Trustees normally meet 11 times each year. In the period of 1 April 2019 to 31 August 2019, the Board met 3 times, however there were 2 informal meetings in March 2019 and a further meeting in September 2019.

The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There is one committee of the Board of Trustees as follows:

- Audit.

THE NENE VALLEY PARTNERSHIP
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

The Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to appoint and consider the performance management of the Chief Executive Officer.

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT') of the Nene Valley Partnership which is led by the Chief Executive Officer. The SLT comprises the Chief Executive Officer ('CEO'), Chief Financial Officer ('CFO') and the Headteachers of each school in the Trust. The Chief Executive Officer is the Academy Trust's Accounting Officer and has overall responsibility for the day to day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on performance.

The Board of Trustees delegates a number of functions to the Local Governing Bodies ('LGB') for each of the Trust's schools. Each LGB reviews annual Academy Trust plans and budgets, monitors progress against target and OFSTED standards and oversees parent and community liaison. The details of these arrangements are set out in the Governance Scheme of Delegation. There is representation from former Governors of each of the three predecessor schools on the Board of Trustees.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current period, other than those Trustees who are also employees of the Academy Trust. Details of Trustees' remuneration and expenses are disclosed in note 13 of the financial statements.

The pay of the senior management team is reviewed annually as part of the LGB's pay committees in line with the Nene Valley Partnership's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff. Chairs of Local Governing Bodies report annually to the full Board of Trustees on pay and remuneration and adherence to the policy. All members of the Trust's SLT were employees of predecessor schools and have TUPE transferred with existing pay scales intact. All members of the Trust SLT retain their existing roles as of the TUPE transfer of 1 April 2019.

The CEO and CFO currently receive additional annual remuneration of £4,800 and £3,600 respectively. This is subject to annual review and performance management by the Board of Trustees, which will take place for the first time in April 2020. This additional payment was set by the Board of Trustees on conversion after benchmarking against advertised CEO / CFO salaries when combined with substantive posts within individual schools in addition to whole Trust responsibilities.

Related Parties and Other Connected Charities and Organisations

There are no related parties or connected organisations which either control or significantly influence the decisions and operations of the Academy Trust.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of Bozeat, Wollaston and Irchester and the surrounding villages, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

The aims of the Academy Trust during the period ended 31 August 2019 are summarised below:

- To ensure that every child enjoys a high quality education in terms of teaching, resourcing and care.
- To raise the educational achievement of all pupils who attend an NVP school.
- To improve the effectiveness of the Academy Trust by keeping all curricular and organisational arrangements under review.
- To provide value for money with the funds expended.
- To comply with all appropriate statutory and curricular requirements.

Objectives, Strategies and Activities

The key priorities for the period are contained in the Academy Trust's Development Plan which is available from the Chief Executive Officer. For the period April 2019 – August 2019, this development plan takes the form of individual school improvement plans as the Trust was established towards the end of the academic year. The key activities of the Academy Trust for the period ended 31 August 2019 were focused as follows:

- Improving Post 16 outcomes at Wollaston School to ensure that progress is in line with national benchmarks.

A new leader (Assistant Headteacher) has overseen improvements in sixth form provision. Strategies implemented have included a revised approach to assessment and feedback, a strategy to improve post 16 attendance and more rigorous expectations of the quality of both teaching and student's work. This has resulted in improved ALPS outcomes in 2019. A level performance is rated as a Grade 5 (National Average). An improvement from a grade 6 in 2018 (just below national averages) and this has also improved the 3 year average to a grade 5 (national average) from a previous 3 year average of Grade 6 (just below national averages) in 2018.

- Support Bozeat Community Primary School and Nursery with improvement activities designed to secure a Good rating at their next Ofsted inspection.

The new Headteacher at Bozeat has led a number of improvement programmes at the school since her arrival in January 2019. These have included a robust approach to tracking progress of children, thorough performance management of staff and the introduction of a charter for excellent teaching and learning (the Bozeat Benchmarks). Expertise has been utilised across the Trust, including sharing expertise in KS1 practice, reviewing efficacy of improvement planning and developing high ability pupil's confidence in maths. This work has resulted in successful KS2 outcomes for students at Bozeat, with the combined benchmark of 67% being above the National Average of 65% for the first time in many years. New staff, working within the Bozeat benchmarks has improved the quality of provision across all year groups.

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FOR THE PERIOD ENDED 31 AUGUST 2019

- Improving the educational achievement of pupils in Maths by the end of key stage 2.

The appointment of a Trust maths development lead has had a significant impact on improving pupil achievements in Maths. In July 2019 pupils at Irchester achieved 85% National Standard in Maths, an increase of 20% on 2018 and 30% of pupils achieved greater depth (110+), an increase of 20% from 2018. In July 2019 pupils at Bozeat achieved 79% National Standard in Maths, an increase of 9% on 2018 and 33% of pupils achieved greater depth (110+), an increase of 33% from 2018.

Public Benefit

The Academy Trust aims to advance for the public benefit education in an areas south of Wellingborough including Irchester, Bozeat, Wollaston and the surrounding villages, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community. The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy Trust continues to evolve and to adapt to the ever changing educational environment. The Trust is in its first period of operation since conversion to an Academy Trust. The total number of pupils in the period ended 31 August 2019 was 1,985, and school numbers have been maintained since then.

The Academy Trust is committed to continual improvement which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning. The particular achievements and performance of the Academy Trust during the period ended 31 August 2019 were as follows:

- Performance at Key Stage 1

	Reading EXP	Reading GD	Writing EXP	Writing GD	Maths EXP	Maths GD
Bozeat 2019	87%	32%	75%	0%	75%	13%
Bozeat 2018	68%	23%	59%	0%	59%	18%
Irchester 2019	76%	27%	71%	19%	78%	24%
Irchester 2018	69%	26%	70%	17%	74%	16%
National Avg	75%	26%	70%	16%	76%	22%

- Performance at Key Stage 2

	Reading EXS	Reading GD	Writing EXS	Writing GD	Maths EXS	Maths GD	Combined EXS	Combined GD
Bozeat 2019	71%	21%	83%	29%	79%	33%	67%	21%
Bozeat 2018	88%	29%	80%	13%	71%	0%	63%	0%
Irchester 2019	71%	19%	88%	32%	85%	30%	66%	10%
Irchester 2018	81%	17%	89%	13%	65%	10%	63%	10%
National Avg	73%	27%	78%	20%	79%	27%	65%	11%

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

• Progress:

	Reading	Writing	Maths
Bozeat 2019	-2.3	0.7	-0.7
Bozeat 2018	0.06	-2.6	-3.7
Irchester 2019	-0.1	1.9	0.2
Irchester 2018	-0.5	1.1	-1.7

• Performance at Key Stage 4

	ENG/MA 4+	ENG/MA 5+	A8	P8	EBACC APS	2X 4+ SCI
Wollaston 2019	75%	48%	48	-0.03	4.13	72%
Wollaston 2018	72%	47%	47.5	0.04	3.96	68%
National	64%	43%	46.5	-0.03	4.06	64%

• Performance at Key Stage 5

	A*-B	A*-C	A*-E	APS	Avg Grade A Level	Avg Grade Vocational	ALPS
Wollaston 2019	44%	72%	98%	32.5	C+	Distinction	5
Wollaston 2018	41%	67%	96%	31.2	C	Merit +	6
National	51%	75%	97.5%	33.5	C+	Merit +	5

Key Performance Indicators

The Academy Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the Balance Sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves carried forward. At 31 August 2019, the balance of the unrestricted and restricted income reserves was £1,210,006, which is after transfers of £81,539 to the restricted fixed asset fund to fund capital expenditure during the period. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers is also a key performance indicator. Pupil numbers are noted earlier in this report.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the Education and Skills Funding Agency ('ESFA') and / or Local Authority) for the year was 77.5%, while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 78.3%.

Going Concern

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

THE NENE VALLEY PARTNERSHIP
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

FUNDRAISING

The Academy Trust can raise funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding.

Fundraising is primarily undertaken by staff or parents, no professional fundraisers or commercial participators work with the Trust currently. Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the finance function of the Trust.

The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities, the general complaints policy of the Trust would be applicable if so.

FINANCIAL REVIEW

The majority of the Academy Trust's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2019 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations / funders and these are shown as restricted fixed asset funds in the Statement of Financial Activities. The balance of the restricted fixed asset fund is reduced by the depreciation charges on the assets acquired using these funds.

For the period ended 31 August 2019, the Academy Trust's total income (excluding capital grants and the net assets inherited on conversion in the period) was £4,486,152 while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £4,196,974, resulting in a net surplus for the period of £289,178. The balance of reserves at 31 August 2019, excluding the restricted fixed asset funds and LGPS liability fund was £1,210,006.

Land, buildings, other assets and the LGPS deficit were transferred to the Academy Trust from those academies joining the Trust during the period. The total value of these net assets transferred, as included in the Statement of Financial Activities, were £17,273,817. The details of the net assets transferred and the basis of their valuations are set out in Note 26 to the financial statements.

The net book value of fixed assets at 31 August 2019 is £19,028,251, which includes the value of land and buildings transferred from new academies joining the Trust during the period of £18,878,450 and depreciation charges for the period of £155,633. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

Included within the Academy Trust's Balance Sheet at the period end is a defined benefit pension scheme liability of £2,858,000, which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the Academies. Further details regarding the deficit in the LGPS at 31 August 2019 are set out in note 27 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Procedures Manual, which lays out the framework for the Academy Trust's financial management, including financial responsibilities of the Board of Trustees, Headteachers, CEO and CFO, managers, budget holders and other staff, as well as the delegated authorities for spending.

THE NENE VALLEY PARTNERSHIP
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately 5% of total incoming resources. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

The Academy Trust's current level of reserves at 31 August 2019 is £1,210,006, of which £1,053,027 is free reserves (that is, total funds less the amount held in total restricted funds).

Although the current level of free reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development, including the need to retain key staff in light of the increasing cost pressures in future years and to finance future capital projects.

The value of the restricted fixed asset fund at 31 August 2019 is £19,028,051, which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets.

The pension reserve fund has a deficit balance at 31 August 2019 of £2,858,000, which represents the deficit in the LGPS at the Balance Sheet date. The effect of the LGPS deficit is that Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

Investment Policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy Trust's principal bankers.

Where cash flow allows, sums in excess of working capital requirements may be invested on deposit for extended periods with the Academy Trust's principal bankers or other reputable financial institutions.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as in relation to teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and drafted a Risk Register. Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually.

The ESFA visit in October 2019 to evaluate the FMGS self-evaluation return has generated an action plan to ensure compliance with the AFH and to recommend areas of good practice to be adopted by the Trust.

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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019

The principal risks and uncertainties facing the Academy Trust are as follows:

Educational

The continuing success of the Academy Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the period, approximately 92% of the Academy Trust's income (excluding amounts transferred on conversion from the Local Authority) was ultimately Government funded. Whilst this level 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, particularly in light continuing changes in to the National Funding Formula for schools.

Continuing increases in employment costs, including pension costs association with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs will also continue to place significant pressure on the Trust's financial position and its ability to deliver balanced budgets in the future.

The Trustees will examine the financial health of the Academy Trust formally 6 times each year, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees meetings. For the period ended 31 August 2019, the Trustees only considered reports and information on the Trust's financial position 3 times.

Staffing

The success of the Academy Trust is reliant on the quality of its staff so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds.

Fraud and mismanagement of funds

The Academy Trust has engaged Claire Hicks, Chair of Trustees, to fulfil the RO role for the first 5 months of operation from April 2019 to August 2019. In future years, the Trust will appoint the external auditor to perform a program of work aimed at checking and reviewing the financial systems and records as required by the AFH. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

At the Balance Sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

**THE NENE VALLEY PARTNERSHIP
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**TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019**

The Trustees recognise that the LGPS deficit represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Academy Trust's plans for future periods are:

- To promote a coherent approach to curriculum development across the Trust from ages 4-18. This will enable pupils to benefit from a progressive, well planned and sequenced curriculum across key stages and with a particular focus on key expectations at points of transition. This work will also provide powerful professional development for staff within the Trust.
- To ensure the new Trust has an active role in school improvement – using peer reviews and staff who work across the Trust to improve provision in identified areas of need. The aim is to establish a self-improving partnership and ensure that all three schools are rated at least good at the time of their next inspection.
- To develop coherent approaches to infrastructure and resource management, to enable cost savings and the opportunities to benefit from grant funding. Examples include development of shared ICT provision and joint CIF bids to improve the Trust's estate.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity. The Academy does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF DISABLED PERSONS

The Academy Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Academy Trust's performance.

During employment the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues and that the appropriate training is arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

AUDITOR

In so far as the Trustees are aware:

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

**THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2019**

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2019 and signed on its behalf by:

A handwritten signature in black ink that reads "C Hicks". The signature is written in a cursive style, with the first letter "C" being large and stylized, and the name "Hicks" following in a similar but more compact script.

C Hicks
Chair of Trustees

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Office, 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 The Nene Valley Partnership and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the period from the date of incorporation of. This includes 3 meetings during the 5 month period of operation and 2 additional meetings which were held in March 2019. A further meeting was held in September 2019.

Attendance during the period from the date of incorporation of at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Birkett, Chief Executive Officer	5	5
M Clements	5	5
K Coleman	5	5
P Dudley-Smith	5	5
J Hakes	4	5
C Hicks, Chair of Trustees	5	5
R Watts	4	5

The Board of Trustees will review the Trust's governance structure annually to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

There is one sub-Committee of the Board of Trustees, which is the Audit Committee. The Audit Committee has its own terms of reference setting out the responsibilities discharged to it.

During the period from from incorporation to 31 August 2019, there were no meetings of the Audit Committee. During this period, all matters and responsibilities related to finance and audit were undertaken by the Board of Trustees.

Review of value for money

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

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

**THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)**

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

The Accounting Officer for the Academy Trust has delivered improved value for money during the period from the date of incorporation of by:

- Harmonising ICT support provision in each of the three schools, through the centrally funded services. This has allowed cancellation of contracts with 3rd party suppliers and the building of internal expertise. An example is in the hosting of back up servers at other sites within the Trust, negating the need to pay for other off site back-up servers.
- Employing a maths development lead to work across all three schools. Appointing a shared member of staff has negated the need for each school to "buy in" maths support individually and resulted in not only a cost saving, but the ability to recruit a more experienced and impactful individual than would otherwise be the case. This strategy has resulted in significant improvement in KS2 maths outcomes.
- Working in partnership with NCC to ensure a range of site improvements at Wollaston School throughout the first year of operation. This has included the remedy to numerous health and safety defects identified and improved access for students with physical and VI disabilities.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Nene Valley Partnership for the period from the date of incorporation of 22 February 2019 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

The ESFA's FMGS review has generated an action plan to ensure that all controls and an effective financial scheme of delegation is in place and is AFH compliant.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from the date of incorporation of 22 February 2019 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

This process is regularly reviewed by the Board of Trustees and has been evaluated through the ESFA's FMGS audit visit of October 2019.

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

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 Claire Hicks, a Trustee, to carry out a programme of internal checks.

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

- A review of the 'Musts' in the AFH to monitor compliance
- A review of management information preparation procedures, including information prepared for and presented to the Board of Trustees

On an annual basis, the reviewer reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The reviewer has delivered the work as planned and the recommendations for improvements will be implemented over the coming year, alongside the recommendations from the ESFA's FMGS review.

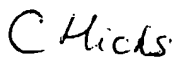
Review of effectiveness

As Accounting Officer, the Chief Executive Office has responsibility for reviewing the effectiveness of the system of internal control. During the period from the date of incorporation of in question the review has been informed by:

- the work of the reviewer;
- the work of the external auditors;
- the FMGS process as a newly established Trust opening on 1 April 2019;
- the ESFA audit visit and action plan arising from the FMGS 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 Board of Trustees and a plan to address specific recommendations and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 5 December 2019 and signed on their behalf by:



C Hicks
Chair of Trustees



J Birkett
Accounting Officer

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Nene Valley Partnership 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 2018.

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 2018.

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



J Birkett
Accounting Officer

Date: 5 December 2019

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2019

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 & 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 period. 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 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 5 December 2019 and signed on its behalf by:



C Hicks
Chair of Trustees

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
NENE VALLEY PARTNERSHIP**

Opinion

We have audited the financial statements of The Nene Valley Partnership (the 'academy trust') for the period ended 31 August 2019 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 2019 and of its incoming resources and application of resources, including its income and expenditure for the period 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
NENE VALLEY PARTNERSHIP (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 period 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.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
NENE VALLEY PARTNERSHIP (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.

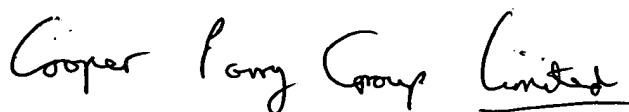
Auditors' responsibilities for the audit of the financial statements

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. This description forms part of our Auditors' Report.

Use of our report

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



Simon Atkins FCA (Senior Statutory Auditor)

for and on behalf of

Cooper Parry Group Limited

Chartered Accountants

Statutory Auditors

Park View

One Central Boulevard

Blythe Valley Park

Solihull

West Midlands

B90 8BG

20 December 2019

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE NENE VALLEY PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Nene Valley Partnership during the period 22 February 2019 to 31 August 2019 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 The Nene Valley Partnership and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Nene Valley Partnership 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 The Nene Valley Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Nene Valley Partnership's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Nene Valley Partnership's funding agreement with the Secretary of State for Education dated 1 April 2019 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 period 22 February 2019 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

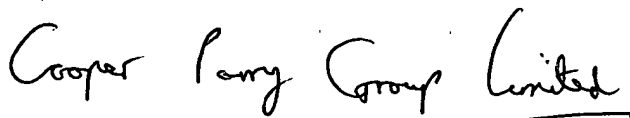
INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE NENE VALLEY PARTNERSHIP AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

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 period 22 February 2019 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Cooper Parry Group Limited

Park View
One Central Boulevard
Blythe Valley Park
Solihull
West Midlands
B90 8BG

Date: 20 December 2019

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 AUGUST 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Income from:					
Donations and capital grants:	3				
Assets on conversion		1,002,367	-	18,878,450	19,880,817
Other donations and capital grants		10,205	900	223,895	235,000
Charitable activities	4	276,569	4,153,812	-	4,430,381
Other trading activities	5	44,093	-	-	44,093
Investments	6	573	-	-	573
Total income		1,333,807	4,154,712	19,102,345	24,590,864
Expenditure on:					
Charitable activities		265,081	4,071,893	155,633	4,492,607
Other expenditure	8	-	2,607,000	-	2,607,000
Total expenditure		265,081	6,678,893	155,633	7,099,607
Net income/(expenditure)		1,068,726	(2,524,181)	18,946,712	17,491,257
Transfers between funds	20	(15,699)	(65,840)	81,539	-
Net movement in funds before other recognised gains/(losses)		1,053,027	(2,590,021)	19,028,251	17,491,257
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	27	-	(111,000)	-	(111,000)
Net movement in funds		1,053,027	(2,701,021)	19,028,251	17,380,257
Reconciliation of funds:					
Net movement in funds		1,053,027	(2,701,021)	19,028,251	17,380,257
Total funds carried forward		1,053,027	(2,701,021)	19,028,251	17,380,257

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 26 to 48 form part of these financial statements.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)
REGISTERED NUMBER: 11842925

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £
Fixed assets		
Tangible assets	15	19,028,251
		<u>19,028,251</u>
Current assets		
Stocks	16	34,273
Debtors	17	150,753
Cash at bank and in hand		1,564,074
		<u>1,749,100</u>
Creditors: amounts falling due within one year	18	(506,582)
Net current assets		<u>1,242,518</u>
Total assets less current liabilities		<u>20,270,769</u>
Creditors: amounts falling due after more than one year	19	(32,512)
Net assets excluding pension liability		<u>20,238,257</u>
Defined benefit pension scheme liability	27	(2,858,000)
Total net assets		<u><u>17,380,257</u></u>
Funds of the Academy Trust		
Restricted funds:		
Fixed asset funds	20	19,028,251
Restricted income funds	20	156,979
Pension reserve	20	(2,858,000)
Total restricted funds	20	<u>16,327,230</u>
Unrestricted income funds	20	<u>1,053,027</u>
Total funds		<u><u>17,380,257</u></u>

The financial statements on pages 23 to 48 were approved by the Trustees, and authorised for issue on 05 December 2019 and are signed on their behalf, by:



C Hicks
Chair of Trustees

The notes on pages 26 to 48 form part of these financial statements.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2019

	Note	2019 £
Cash flows from operating activities		
Net cash provided by operating activities	22	531,320
Cash flows from investing activities	24	(80,966)
Cash flows from financing activities	23	1,113,720
Change in cash and cash equivalents in the period		<u>1,564,074</u>
Cash and cash equivalents at the end of the period	25	<u><u>1,564,074</u></u>

The notes on pages 26 to 48 form part of these financial statements

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Nene Valley Partnership meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

• **Donations**

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

• **Other income**

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

The estimated useful lives range as follows:

Long-term leasehold property	- 50 - 125 years
Furniture and equipment	- 10 years
Computer equipment	- 5 years

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.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 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 17. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.13 Conversion to an Academy Trust

The conversion from state maintained schools to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Wollaston School, Irchester Community Primary School and Bozeat Community Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

1.14 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.

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.15 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The long term leasehold property includes the land and buildings of Wollaston School, Irchester Community Primary School and Bozeat Community Primary School that were transferred to the Academy Trust on conversion. The Trust occupies this land and buildings under a 125 year lease arrangement with Northamptonshire County Council. In the absence of available valuations from the ESFA, the value of these land and buildings, as included in the financial statements, are based on a Trustees' valuation. The valuation requires significant judgment on the part of the Trustees as there is no market for the properties and therefore the valuation has been made based on a review of the valuations for similar sized schools, the insured replacement cost of the buildings and information provided by the Local Authorities, and an assessment of the age and condition of the buildings.

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 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.

Tangible fixed assets are depreciated over their economic 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.

Critical areas of judgment:

The classification of expenditure between restricted and unrestricted funds is deemed as a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material the expenditure is apportioned to both funding streams on an appropriate basis.

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

2. Critical accounting estimates and areas of judgment (continued)

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations				
Assets inherited on conversion	1,002,367	-	18,878,450	19,880,817
	<u>1,002,367</u>	<u>-</u>	<u>18,878,450</u>	<u>19,880,817</u>
Donations	10,205	900	180,260	191,365
Capital Grants	-	-	43,635	43,635
Subtotal	<u>10,205</u>	<u>900</u>	<u>223,895</u>	<u>235,000</u>
	<u>1,012,572</u>	<u>900</u>	<u>19,102,345</u>	<u>20,115,817</u>

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

4. Funding for the Academy Trust's educational activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	3,663,291	3,663,291
Start-up grants	-	69,335	69,335
Other DfE/ESFA grants	-	333,025	333,025
	-	4,065,651	4,065,651
Other government grants			
Local Authority SEN funding	-	40,811	40,811
Other government grants	-	21,473	21,473
	-	62,284	62,284
Other funding			
Trip income	181,452	-	181,452
Other income	95,117	25,877	120,994
	276,569	25,877	302,446
	276,569	4,153,812	4,430,381

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £
Catering income	28,438	28,438
IT services	8,789	8,789
Lettings	6,866	6,866
	44,093	44,093

THE NENE VALLEY PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £
Bank interest	573	573

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Educational activities:				
Direct costs	2,770,383	-	357,885	3,128,268
Allocated support costs	628,708	212,028	523,603	1,364,339
Other expenditure	-	-	2,607,000	2,607,000
	<u>3,399,091</u>	<u>212,028</u>	<u>3,488,488</u>	<u>7,099,607</u>

8. Other expenditure

	Restricted funds 2019 £	Total funds 2019 £
LGPS liability inherited on conversion	2,607,000	2,607,000

9. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £
Educational activities	<u>3,128,268</u>	<u>1,364,339</u>	<u>4,492,607</u>

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational activities 2019 £	Total funds 2019 £
Staff costs	2,770,383	2,770,383
Other costs	357,885	357,885
	<u>3,128,268</u>	<u>3,128,268</u>

Analysis of support costs

	Educational activities 2019 £	Total funds 2019 £
LGPS FRS102 net pension interest cost	28,000	28,000
Staff costs	628,708	628,708
Depreciation	155,633	155,633
Technology costs	102,225	102,225
Premises costs	212,029	212,029
Other costs	210,721	210,721
Governance costs	27,023	27,023
	<u>1,364,339</u>	<u>1,364,339</u>

10. Net income/(expenditure)

Net income/(expenditure) for the period includes:

	2019 £
Operating lease rentals	25,843
Depreciation of tangible fixed assets	155,633
Fees paid to auditors for:	
- audit	7,400
- other services	4,300
	<u>187,176</u>

THE NENE VALLEY PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

11. Staff costs

a. Staff costs

Staff costs during the period were as follows:

	2019 £
Wages and salaries	2,583,075
Social security costs	239,862
Pension costs	558,579
	<hr/> 3,381,516
Agency staff costs	17,575
	<hr/> <hr/> 3,399,091

b. Staff numbers

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

	2019 No.
Teachers	119
Leadership	4
Administration and Support	115
	<hr/> 238

c. Higher paid staff

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

	2019 No.
In the band £60,001 - £70,000	2
In the band £70,001 - £80,000	1
In the band £90,001 - £100,000	1
	<hr/> <hr/>

d. Key management personnel

The key management personnel of the Academy Trust comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer National Insurance and pension contributions) received by key management personnel during the period ended 31 August 2019 for their services to the Academy Trust was £138,980.

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

12. Central services

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

- School improvement
- HR
- Finance
- IT

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

- 3% of GAG funding

The actual amounts charged during the period were as follows:

	2019 £
Wollaston School	72,518
Irchester Community Primary School	17,768
Bozeat Community Primary School	7,109
Total	97,395

13. 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 Chief Executive and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £
J Birkett	Remuneration	35,000 - 40,000
	Pension contributions paid	5,000 - 10,000

During the period ended 31 August 2019, no Trustee expenses have been incurred.

14. Trustees' and Officers' insurance

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

THE NENE VALLEY PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

15. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
Additions	295,331	10,103	-	305,434
Assets inherited on conversion	18,628,000	138,800	111,650	18,878,450
At 31 August 2019	<u>18,923,331</u>	<u>148,903</u>	<u>111,650</u>	<u>19,183,884</u>
Depreciation				
Charge for the period	140,125	6,204	9,304	155,633
At 31 August 2019	<u>140,125</u>	<u>6,204</u>	<u>9,304</u>	<u>155,633</u>
Net book value				
At 31 August 2019	<u>18,783,206</u>	<u>142,699</u>	<u>102,346</u>	<u>19,028,251</u>

The long term leasehold property comprises the land and buildings of Wollaston School, Irchester Community Primary School and Bozeat Community Primary School which were transferred to the Academy Trust on conversion by Northamptonshire County Council, and which are occupied under 125 year lease agreements with the Local Authority.

The land and buildings, as included in the financial statements, are based on a Trustees' valuation. The valuation requires significant judgment on the part of the Trustees as there is no market for the properties and therefore the valuation was made based on information provided by the Local Authority in relation to the original cost of the buildings, a review of the ESFA valuations for similar sized Schools and the replacement cost of the buildings taking into account an assessment of the age and condition of the buildings.

16. Stocks

	2019 £
Finished goods and goods for resale	<u>34,273</u>

THE NENE VALLEY PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

17. Debtors

	2019 £
Due within one year	
Trade debtors	19,735
Other debtors	75,425
Prepayments and accrued income	55,593
	<u>150,753</u>

18. Creditors: Amounts falling due within one year

	2019 £
Loans	113,114
Trade creditors	22,662
Other taxation and social security	267,609
Other creditors	4,754
Accruals and deferred income	98,443
	<u>506,582</u>

Loans comprise amounts due to Northamptonshire County Council in respect of capital work undertaken prior to conversion and Salix loans.

	2019 £
Deferred income	
Resources deferred during the period	83,363

Deferred income relates to funding received in advance for Universal Infant Free School Meals and trip income relating to future trips, which will be utilised during the year ending 31 August 2020.

19. Creditors: Amounts falling due after more than one year

	2019 £
Loans	32,512

Loans comprise amounts due to Northamptonshire County Council in respect of capital work undertaken prior to conversion and Salix loans.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

20. Statement of funds

	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds					
General Funds	1,333,807	(265,081)	(15,699)	-	1,053,027
Restricted general funds					
General annual grant (GAG)	3,663,291	(3,488,441)	(65,840)	-	109,010
Other DfE/ESFA funds	402,360	(361,869)	-	-	40,491
Local authority funding	62,284	(54,806)	-	-	7,478
Other restricted funds	26,777	(26,777)	-	-	-
Pension reserve	-	(2,747,000)	-	(111,000)	(2,858,000)
	<u>4,154,712</u>	<u>(6,678,893)</u>	<u>(65,840)</u>	<u>(111,000)</u>	<u>(2,701,021)</u>
Restricted fixed asset funds					
Devolved Formula Capital	43,635	-	(43,635)	-	-
Local authority capital funding	180,260	-	(180,260)	-	-
Fixed asset fund	18,878,450	(155,633)	305,434	-	19,028,251
	<u>19,102,345</u>	<u>(155,633)</u>	<u>81,539</u>	<u>-</u>	<u>19,028,251</u>
Total Restricted funds	<u>23,257,057</u>	<u>(6,834,526)</u>	<u>15,699</u>	<u>(111,000)</u>	<u>16,327,230</u>
Total funds	<u>24,590,864</u>	<u>(7,099,607)</u>	<u>-</u>	<u>(111,000)</u>	<u>17,380,257</u>

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with its funding Agreement.

Other DfE/ESFA grants, which include start-up grants, sponsor capacity grants, UIFSM and pupil premium funding, and all Local Authority funding are all used in accordance with the restrictions of the individual grants or funding which are all for the provision of education to pupils of the Academy Trust.

Restricted fixed asset funds comprise the value of the fixed assets transferred to the Academy Trust on conversion less accumulated depreciation together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grants were paid.

The pension reserve represents the Local Government Pension Scheme deficit.

THE NENE VALLEY PARTNERSHIP
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

20. Statement of funds (continued)

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 2019.

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £
Wollaston School	706,781
Irchester Community Primary School	293,037
Bozeat Community Primary School	177,357
Central services	32,831
	<hr/>
Total before fixed asset funds and pension reserve	1,210,006
Restricted fixed asset fund	19,028,251
Pension reserve	(2,858,000)
	<hr/>
Total	17,380,257
	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Wollaston School	2,101,386	362,915	61,748	608,106	3,134,155
Irchester Community Primary School	493,316	91,415	7,766	107,866	700,363
Bozeat Community Primary School	175,681	62,378	8,320	74,034	320,413
Central services	-	-	-	42,043	42,043
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	2,770,383	516,708	77,834	832,049	4,196,974
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE NENE VALLEY PARTNERSHIP
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	19,028,251	19,028,251
Current assets	1,053,027	696,073	-	1,749,100
Creditors due within one year	-	(506,582)	-	(506,582)
Creditors due in more than one year	-	(32,512)	-	(32,512)
Provisions for liabilities and charges	-	(2,858,000)	-	(2,858,000)
Total	1,053,027	(2,701,021)	19,028,251	17,380,257

22. Reconciliation of net income to net cash flow from operating activities

	2019 £
Net income for the period (as per Statement of Financial Activities)	17,491,257
Adjustments for:	
Assets and liabilities inherited on conversion	(19,880,817)
Depreciation	155,633
Capital grants from DfE and other capital income	(223,895)
Interest receivable	(573)
Defined benefit pension scheme obligation inherited	2,607,000
Defined benefit pension scheme cost less contributions payable	112,000
Defined benefit pension scheme finance cost	28,000
(Increase)/decrease in debtors	(150,753)
Increase in creditors	393,468
Net cash provided by operating activities	531,320

23. Cash flows from financing activities

	2019 £
Cash received on conversion	1,113,720
Net cash provided by financing activities	1,113,720

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019**

24. Cash flows from investing activities

	2019 £
Dividends, interest and rents from investments	573
Purchase of tangible fixed assets	(305,434)
Capital grants from DfE Group	43,635
Capital funding received from sponsors and others	180,260
Net cash (used in)/provided by investing activities	(80,966)

25. Analysis of cash and cash equivalents

	2019 £
Cash in hand	1,564,074
Total cash and cash equivalents	1,564,074

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2019

26. Conversion to an Academy Trust

On 1 April 2019 Wollaston School, Irchester Community Primary School and Bozeat Community Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Nene Valley Partnership from Northamptonshire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred for each School were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the aggregate fair values of the identifiable assets and liabilities transferred for all the Schools and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	18,878,450	18,878,450
Current assets				
Cash surplus on Local Authority funds	967,552	145,626	-	1,113,178
Cash surplus on other School funds	542	-	-	542
Stock	34,273	-	-	34,273
Current liabilities				
Local authority loan	-	(110,000)	-	(110,000)
Salix loan	-	(3,114)	-	(3,114)
Non-current liabilities				
Local authority loan	-	(30,000)	-	(30,000)
Salix loan	-	(2,512)	-	(2,512)
LGPS liability on conversion	-	(2,607,000)	-	(2,607,000)
Net assets/(liabilities)	<u>1,002,367</u>	<u>(2,607,000)</u>	<u>18,878,450</u>	<u>17,273,817</u>

The leasehold land and buildings of Wollaston School, Irchester Community Primary School and Bozeat Community Primary School are occupied under 125 year lease agreements with the Local Authority.

The land and buildings, as included in the financial statements, are based on a Trustees' valuation. The valuation requires significant judgment on the part of the Trustees as there is no market for the properties and therefore the valuation was made based on information provided by the Local Authority in relation to the original cost of the buildings, a review of the ESFA valuations for similar sized Schools and the replacement cost of the buildings taking into account an assessment of the age and condition of the buildings.

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments

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

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

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 or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The employer's pension costs paid to TPS in the period amounted to £301,125.

A copy of the valuation report and supporting documentation is on the Teachers' Pension website at <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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27. 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 period ended 31 August 2019 was £179,000, of which employer's contributions totalled £145,000 and employees' contributions totalled £34,000. The agreed contribution rates for future years are 24.5 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %
Rate of increase in salaries	2.6
Rate of increase for pensions in payment/inflation	2.3
Discount rate for scheme liabilities	1.9
Inflation assumption (CPI)	2.3

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

	2019 Years
<i>Retiring today</i>	
Males	21.2
Females	23.3
<i>Retiring in 20 years</i>	
Males	22.3
Females	24.7

Sensitivity analysis

	2019 £000
Discount rate -0.5%	575
CPI rate +0.5%	516
Salary increase rate +0.5%	50

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27. Pension commitments (continued)

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

	At 31 August 2019 £
Equities	1,196,000
Bonds	282,000
Property	149,000
Cash and other liquid assets	33,000
Total market value of assets	1,660,000

The actual return on scheme assets was £82,000.

The amounts recognised in the Statement of Financial Activities are as follows:

	2019 £
Current service cost	(239,000)
Past service cost	(18,000)
Interest income	15,000
Interest cost	(43,000)
Liability on conversion	(2,607,000)
Total amount recognised in the Statement of Financial Activities	(2,892,000)

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

	2019 £
Transferred in on existing academies joining the Trust	4,006,000
Current service cost	239,000
Interest cost	43,000
Employee contributions	34,000
Actuarial losses	178,000
Past service costs	18,000
At 31 August	4,518,000

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NOTES TO THE FINANCIAL STATEMENTS
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27. Pension commitments (continued)

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

	2019 £
Transferred in on existing academies joining the trust	1,399,000
Interest income	15,000
Actuarial gains	67,000
Employer contributions	145,000
Employee contributions	34,000
At 31 August	1,660,000

28. Operating lease commitments

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £
Not later than 1 year	62,390
Later than 1 year and not later than 5 years	35,364
	97,754

29. 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.

30. Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH 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.

No related party transactions took place in the period of account, other than certain Trustees' remuneration already disclosed in note 13.

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31. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the period ended 31 August 2019, the Trust received £6,319 and distributed £1,565 from the fund. An amount of £4,754 is carried forward as undistributed funds at the period end.