

Kernow Learning Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2022

Company Registration number: 7394649 (England and Wales)

Kernow Learning Multi Academy Trust

Contents

Reference and Administrative Details	1 to 2
Trustees' Report	3 to 27
Governance Statement	28 to 33
Statement of Regularity, Propriety and Compliance	34
Statement of Trustees' Responsibilities	35
Independent Auditor's Report on the Financial Statements to the Members of Kernow Learning Multi Academy Trust	36 to 39
Independent Reporting Accountant's Assurance Report on Regularity	40 to 41
Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)	42 to 43
Balance Sheet as at 31 August 2022	44
Statement of Cash Flows for the year ended 31 August 2022	45
Notes to the Financial Statements	46 to 76

Kernow Learning Multi Academy Trust

Reference and Administrative Details

Members

K Crosse
D Parker
A Basi
S Kendall
The Diocese of Truro (Represented by Askel Veur)
M Hurry (resigned 10 November 2021)
T Ovenden-Hope (appointed 1 September 2022)

Trustees (Directors)

D Parker (Chair of Board of Trustees)
P Mason (Vice Chair of Board of Trustees)
J Walker (CEO) (resigned 24 April 2022)
C Crowle (CEO) (appointed 25 April 2022)
S Tym
D Glynn
M Smith
H Sykes
D Rushton (appointed as Vice Chair of Board of Trustees on 15 July 2022)
J Sutton
T Ovenden-Hope (resigned 26 July 2022)
L Devine (resigned 30 September 2022)
S Blandford (appointed 5 September 2022)

Accounting Officer and Chief Executive Officer

J Walker (until 24 April 2022)
C Crowle (from 25 April 2022)

Chief Operating Officer

D Houghton

Chief Financial Officer

E Coombe

Deputy Chief Executive Officer

C Crowle (Academic) (until 24 April 2022)
M Middlemore (from 01 September 2022)

Safeguarding Lead

E French

Kernow Learning Multi Academy Trust

Reference and Administrative Details (continued)

West HUB Lead and Executive Headteacher

C Smith

North HUB Lead and Executive Headteacher

K Pitcher

Mid HUB Lead and Headteacher

N Cotterill

East HUB Lead and Headteacher

K Haywood

**Company
Registration Number** 7394649

Registered Office The Old Cricket Pavilion
Treninnick Hill
Newquay
TR7 2JU

Bankers Lloyds Bank
234 Highstreet
Exeter
EX4 3NL

Solicitors Browne Jacobson
1st Floor
The Mount
72 Paris Street
Exeter
Devon
EX1 2JY

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022

The Trustees of Kernow Learning Multi Academy Trust (“Kernow Learning”) present their annual report together with the financial statements and auditor’s report of the charitable company for the year to 31 August 2022. The annual report serves the purposes of both a Trustees’ report, and a directors’ report and strategic report under company law.

During the year 2021/22, the Trust operated 19 primary schools for pupils aged 2 to 11 across Cornwall. These schools have a combined pupil capacity of 5,752 which includes 10 pupils in the Trust’s Area Resource Base (ARB) and 161 FTE nursery aged pupils. The Trust’s roll was 5,084 at the time of the school census on 7th October 2021. In addition to the 161 FTE nursery places, the Trust operates two governor-led pre-schools which have a combined FTE capacity of 25 children, who are not on the roll of the school in which they operate. During the reporting period, the Trust received permission from the Office of the Regional Schools’ Commissioner to close the nursery provision at Falmouth Primary Academy and King Charles Church of England Primary School. As a result, overall combined pupil capacity of Kernow Learning schools reduced to 5,696 as of 31 May 2022, and the number of nursery places reduced to 109 FTE. The age range of both schools were, at the same time, changed to 4 to 11 from 3-11 and 2-11 respectively.

In September 2022, Kernow Learning welcomed Wendron Church of England Primary School into the Trust. Additionally, the Trust’s new Free School opened in temporary accommodation at the Eden Project; Sky Primary and Eden Project Nursery will grow over the next seven years to a 1 form entry primary school with a 26 FTE place nursery.

In April 2022 the Trust’s CEO, Jennie Walker, retired from her post. Jennie was key to the merger of the two Trusts which formed Kernow Learning and, as the inaugural CEO of the merged Trust, her legacy will be the establishment of Kernow Learning for the benefit of children and families across Cornwall. The Members, Trustees, staff and pupils of Kernow Learning thank Jennie for her guidance and leadership, especially during the unprecedented impact of COVID-19.

Structure, governance and management

Constitution

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

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

Members’ Liability

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Trustees' Indemnities

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

Method of recruitment and appointment or election of Trustees

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

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

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

Policies and procedures adopted for the induction and training of Trustees

Kernow Learning has an induction programme for Trustees and Local Advisory Board Members (LAB) supported by mentoring from experienced Trustees/LAB Members. An annual skills audit and termly evaluation of governance takes place at Trustee and Local Advisory Board level which includes a training needs analysis and the results of this aid any CPD (Continuing Professional Development) planning. All new Local Advisory Board Members attend a compulsory Kernow Learning induction training session within the first term of having been appointed to a Local Advisory Board. From September 2022, the Trust has adopted the term "Local Governing Body" (LGB) rather than Local Advisory Boards.

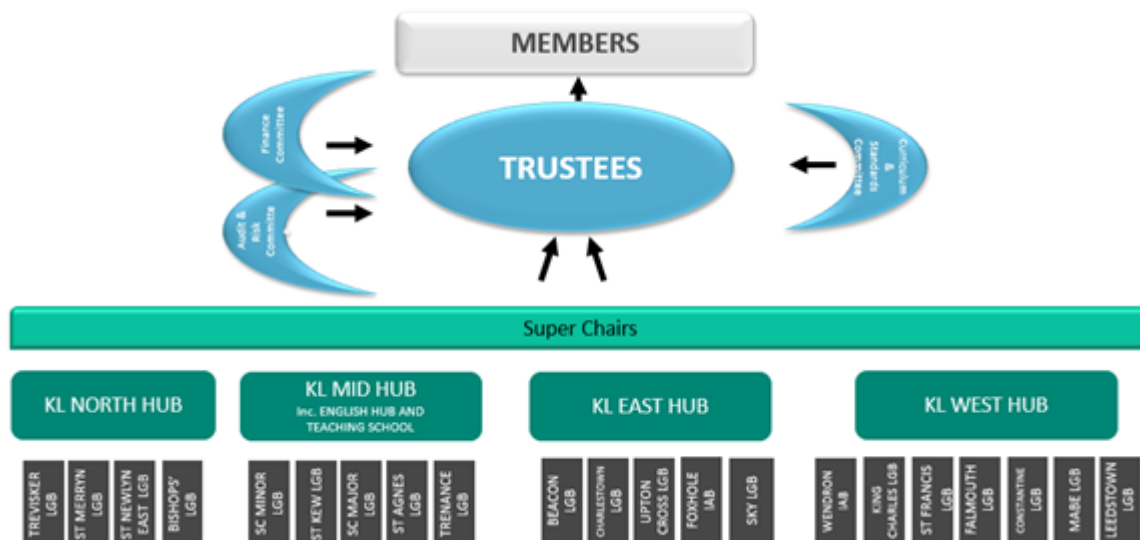
Organisational Structure

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Fig. 1



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

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

The Board of Trustees met seven times during the 2021/22 academic year. The Board of Trustees decided to separate the Finance and Audit Committee into two separate Committees for 2021/22. The Audit and Risk Committee met as a full committee four times during the year. The Finance Committee met three times, and the Standards and Curriculum Committee also met three times. In addition, the Trust's Local Governing Bodies (formerly Local Advisory Boards) each met six times each during this reporting period.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

During 2021/22, Kernow Learning ran nineteen primary schools across Cornwall:



Beacon ACE Academy is a co-educational primary school and nursery in Bodmin; the school also has a 10 place Area Resource Base (ARB). Children on roll are between the ages of 3 and 11. The total number on roll was 428 in 2021/22 including pupils in the Nursery and ARB. The school was inspected by Ofsted in May 2019 and was rated as 'Good' in all areas.



Charlestown Primary School is a co-educational primary school for children aged 4-11. During the academic year 2021/22 the number on roll was 407. The school was inspected by Ofsted in January 2019 and was rated 'Good' in all areas.



Constantine Primary School is a co-educational primary school providing education for 4-11 year olds in Constantine and the surrounding area. During the academic year 2021/22 the number on roll was 192. Constantine was judged as 'Good' by Ofsted following its inspection in June 2019.



Falmouth Primary Academy is a co-educational academy providing education for 4-11 year olds in Falmouth and the surrounding area. During the academic year 2021/22 the number on roll was 272 pupils. In March 2022, Ofsted found that the school continued to be 'Good'.



Foxhole Learning Academy is a co-educational academy providing primary education for 4-11 year olds in Foxhole and the surrounding area. During the academic year 2021/22 the number on roll was 103. Following an Ofsted inspection in September 2018 it was categorised as 'Good'.



King Charles Church of England Primary School is a co-educational primary academy for children aged 4-11 in Falmouth. It is rated as 'Good' by Ofsted following its inspection in February 2022. In its latest SIAMS inspection (February 2020) it was judged as 'Excellent'. The number on roll during the academic year 2021/22 was 410.



Leedstown CP School is a co-educational academy providing primary education for 3-11 year olds in Leedstown and the surrounding area. Leedstown was inspected by Ofsted in October 2019 and was judged as 'Good'. During the academic year 2021/221 the number on roll was 72 including those children in the nursery.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)



Mabe Primary School is a co-educational academy providing primary education for ages 3-11 in Mabe and the surrounding area. During the academic year 2021/22 the number on roll was 181, including pupils within the nursery. Mabe was inspected in June 2019 (whilst still part of The Learning Academy Trust) and was judged as 'Inadequate'. Since that time, Kernow Learning have provided intensive school improvement support and, at the Ofsted inspection in April 2022, was no longer found to be 'Inadequate'.



St Agnes Academy is a co-educational academy providing for 4-11 year olds in St Agnes and the surrounding area, completing its transition from 1FE to 2FE in 2021/22. During the academic year 2021/22 the number on roll was 372. The academy was inspected by Ofsted in February 2018 and retained its 'Good' judgement in all areas.



St Columb Major Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 4-11 year olds in St Columb Major and surrounding area. During the academic year 2020/21 the number on roll was 363. St Columb Major was inspected in January 2019 (whilst still part of The Atlantic Centre of Excellence MAT) and was judged to 'Require Improvement'. The Trust worked hard to address the identified areas of weakness and the support was continued and intensified by Kernow Learning. There is now a culture of high expectations which has been readily adopted by the school workforce. A consistent and stable staffing team has enabled the Headteacher and senior leaders to drive forward school improvement at a rapid and sustainable level. Kernow Learning continues to support and monitor the school closely.



St Columb Minor Academy is a co-educational academy providing education for 4-11 year olds in St Columb Minor, and the surrounding Newquay area. St Columb Minor is a 3FE Primary School. During the academic year 2020/21 the number on roll was 494. In November 2018 the school was inspected by Ofsted who judged that the school had maintained its 'Good' rating in all areas.



St Francis Church of England Primary School is a co-educational primary academy for children aged 4-11 in Falmouth. At its latest SIAMS inspection (March 2018) it was rated 'Outstanding' and was found to be 'Good' by Ofsted during their inspection in January 2022. The number on roll during the academic year 2020/21 was 420.



St Kew ACE Academy is a co-educational school providing primary education for 4-11 years old in St Kew and the surrounding area. During the academic year 2020/21 the number on roll was 86. St Kew also operates a 10-place governor led Pre-School. The school was inspected by Ofsted in a Section 8 inspection in January 2020 and was judged as 'Good'.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)



St Merryn School is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for 3-11 year olds in St Merryn and the local area. During the academic year 2021/22 the number on roll was 148 including children in the nursery provision. St Merryn School was judged to be 'Good' by Ofsted at the last inspection in March 2017.



St. Newlyn East Learning Academy is a co-educational academy providing Foundation Stage, Key Stage One and Key Stage Two education for children between the ages of 4-11. During the academic year 2021/22 the number on roll was 163. Ofsted judged the school as 'Good' in 2019.



The Bishops' Church of England Learning Academy is a co-educational primary school and nursery for children aged 3-11 years in the Newquay area. During the academic year 2021/22 the number on roll was 378 including nursery children. The Bishops' was judged as 'Good' by Ofsted in 2019 and, at its most recent SIAMS inspection (2015) it was rated 'Outstanding'.



Trenance Learning Academy is a co-educational academy providing Foundation Stage and Key Stage 1 education for 4-7 year olds in Newquay and the surrounding area. During the academic year 2021/22 the number on roll was 331. Trenance Learning Academy is judged as Outstanding by Ofsted and is designated as an English Hub. The school is also designated as a Teaching School Hub which recognises its significant contribution to the improvement of other schools.



Trevisker Primary School is a co-educational school providing primary education for 4-11 years old in St Eval and the surrounding area. During the academic year 2021/22 the number on roll was 164. Trevisker was inspected in May 2019 and was judged as Good.



Upton Cross ACE Academy is a co-educational school providing primary education for 4-11 years old in the village of Upton Cross and the surrounding moorland area. During the academic year 2021/22 the number on roll was 100. Upton Cross operates four mixed age classes and a 15-place governor led Pre-School. Upton Cross ACE Academy was inspected by Ofsted in March 2019 and was judged as 'Good' in all areas.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Arrangements for setting pay and remuneration of key management personnel

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

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

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

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

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	3.2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	£20,690,729
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	100%
---	------

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Related Parties and other Connected Charities and Organisations

Kernow Learning runs the Kernow School Improvement programme, offering access to high quality CPD, Challenge Partners, cross-programme moderation session, and governor conferences. This is available to all schools within Kernow Learning as well as Wave Multi Academy Trust, Sir Robert Geffery's School (a single Academy Trust), and four maintained primary schools: Goonhavern Primary School, Heamoor Community Primary School, St Stephens (Saltash) Community Primary School, and Burraton Community Primary School.

In addition to this, Kernow Learning works in partnership with Cornwall Education Learning Trust (CELT) to provide professional development programmes and conferences that are open to all schools across Cornwall to attend.

A key partner for Kernow Learning is the Diocese of Truro, supporting and monitoring our Church Schools as well as non-faith schools within the Trust. The support from the Diocese has been invaluable and is a relationship that the Trust will only seek to strengthen over time.

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

In December 2021, Kernow Learning was asked by the Regional Schools' Commissioner to provide school improvement support to Southerly Point Co-operative Multi Academy Trust for two schools within that Trust which had been graded as 'Inadequate' by Ofsted. This support ran between December 2021 and August 2022 when both schools were rebrokered.

The Trust's Initial Teacher Education programme, Kernow Initial Teacher Education (KITE), provides primary and SEN teacher training. The Trust works in partnership with Exeter University and Plymouth Marjon University to deliver these programmes.

The Trust is also a partner of the Cornwall Associate Research School (CARS), along with Mounts Bay Academy (Leading Edge Academies Partnership). CARS is an arm of the Kingsbridge Research School.

Kernow Learning have also formed a partnership with the Eden Project to support the opening of the Trust's new free school. Sky Primary and Eden Project Nursery opened to pupils in September 2022.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Engagement with employees (including disabled persons)

The Trust's policy of applications for the employment of disabled persons is covered within our Recruitment Policy and the treatment of employees who become disabled and their training, career development and promotion is covered in our Equality and Diversity Policy. During the year, Kernow Learning have achieved the Disability Confident award. The Trust is committed to ensuring that no current or potential employee receives less favourable treatment due to a disability and seeks to work in partnership with candidates to explore whether any jobs can be changed to meet specific needs in relation to a disability. Likewise, where a current employee becomes disabled, the Trust would seek to make an assessment of their requirements, utilising advice from Occupational Health to implement any changes or adjustments.

The Trust continuously seeks to encourage the involvement of employees at all levels of the organisation with various opportunities for collaboration, development and feedback. Our annual stakeholder surveys using the Edurio platform gives all employees the opportunity to express their views and thoughts on the success and development of the Trust in an anonymous forum. The Trust remains a collaborative and consultative organisation where staff are encouraged to contribute to the continued development and improvement of schools and the wider organisation.

Kernow Learning are currently working with relevant Trade Unions with the aim of agreeing and implementing a Trade Union Recognition Agreement to further enhance the provision for consultation and collaboration.

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

Kernow Learning has continued to build relationships with key suppliers. This has allowed us to ensure that we are able to secure very competitive prices whilst retaining high quality support and continuing good will. This is underpinned by our commitment to open and transparent relationships with suppliers.

Over the year, Kernow Learning have sought to rationalise its supplier base wherever possible. This has allowed us to reduce waste and error and achieve economies of scale through group procurement.

Stakeholder surveys were undertaken during the Summer Term 2022 using a national system (Edurio) to allow for benchmarking against other schools and Trusts nationally. This included surveys of staff, parents and pupils to ensure that stakeholders were given an opportunity to express their views. These have been analysed to identify areas of strength and areas for development both at school and Trust level.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Objectives and activities

Objects and Aims

The principal object and activity of the charitable company is to advance, for the public benefit, education in the United Kingdom.

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

The main activity of Kernow Learning during the financial year 2021/22 was the operation of our nineteen schools in a collaborative way. The Trust continued to work with the Department for Education to realise the opening of a new free school for the West Carclaze Garden Village (Sky Primary and Eden Project Nursery), which welcomed its first cohort of pupils in September 2022.

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

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

Underpinning our vision and mission statement are our CORE values:



Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

We believe that through collaboration there will be:

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

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

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Objectives, Strategies and Activities

Kernow Learning has the strategic intent to build a Trust of well-matched, successful and ultimately exceptional schools working in synergy to support and develop each other. The Trust is committed to providing experiences to pupils that lead to quality learning, resulting in exceptional education for all pupils. Each school builds respectful and strong links within their local community, seeks to meet the challenges of their particular context and ensures that all pupils make better than expected levels of progress as a result of consistently excellent teaching.

The Trust is ambitious and relentless in its pursuit of excellence and providing all pupils with excellent opportunities. But we recognise the challenges that face the sector at the moment and the enormity of the concerns surrounding rising costs and the ever-present demand to 'do more, with less'.

During the year, Trust leaders have undertaken a complete review of the Trust's school improvement model. Over 2022/23 Trust leaders will take the information gleaned from the review and create The Kernow Challenge; a three-year strategy to ensure that Trust structures remain robust enough to meet the current picture, but agile enough to respond to future challenges. The Trust is committed to retaining the collaborative foundation to support improvement and promote a range of opportunities for pupils and staff so that pupils have access to enhanced experiences and opportunities both across the Trust and within smaller geographically based clusters of learning communities.

Our Trust objectives mirror the Kernow Learning vision stated above. The strategies for achieving these aims, and the overall vision, have been set out in the Kernow Learning Improvement Framework 2021/22 which is regularly reviewed and monitored. A new development and improvement plan for 2022/23 and beyond is currently being finalised and will form a significant part of The Kernow Challenge.

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

- The Kernow Challenge, which will review and reshape the organisation so that it is well placed to meet the current and future educational landscape;
- Individual School Improvement Plans to improve school level performance, which are monitored locally by Local Governing Bodies;
- CEO, Deputy CEO, and wider School Improvement Team monitoring reflected in the termly Shared Services reports to Trustees;
- Strategy Groups and Curriculum Lead's groups and other Trust-wide networks;
- Monitoring and intervention by the COO and the Shared Services teams, reported to Trustees through the termly Shared Services reports to Trustees;
- The Live Risk Register.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

During 2021/22 Kernow Learning and its Trustees provided school improvement, a programme of CPD, and financial stability to all Trust schools to enable them to continue to provide the very best education in the communities that they serve. Our promise is to continue to do our very best to give each and every pupil the opportunity to reach their full potential.

Through the Trust's Shared Services, Kernow Learning provides support to all schools in the Academy Trust with the aim of improving pupil progress and attainment through:

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

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

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

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

Public Benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. The key public benefit delivered by the Trust is the provision of excellent education for its pupils.

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

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Achievements and performance

In September 2021, as the Trust's schools reopened following the normal summer break, Cornwall was designated as a COVID-19 Enhanced Response Area (ERA) due to high numbers of positive cases. As a result of the ERA designation, schools were required to adopt higher levels of COVID-safe measures and a number of schools enacted their Outbreak Management Plans in response to advice from Public Health England and/or Cornwall Council's Public Health department. This, together with increased levels of pupil and staff absence, ultimately had an impact on Teaching and Learning which, with support from the Trust's Shared Services Teams, schools were able to mitigate as much as possible. These mitigations included continued use of remote learning coupled with regular and robust guidance and information for parents regarding self-isolation, the control measures in place in schools, and the importance of school attendance.

During the year, the Trust has continued to operate the model of the Hub structure (see fig. 2) as key drivers for school improvement. 2021/22 also marked the final year of the research project in the Hub model being undertaken by Plymouth Marjon University and the University of Plymouth, the results of which will be delivered to Trustees in the next few months.

Key achievements during the 2021/22 financial year include:

- Improvements at Mabe Primary School recognised by Ofsted with the school no longer being judged as Inadequate, therefore moving out of a category of concern;
- Securing Good Ofsted judgements at King Charles C of E Primary School, St Francis C of E Primary School and Falmouth Primary Academy;
- Successful pre-opening Ofsted inspection and Readiness to Open meeting for Sky Primary and Eden Project Nursery;
- Rapid School Improvement support to Wendron C of E Primary School and Crowan Primary School (part of Southerly Point Co-operative Multi Academy Trust) following Inadequate Ofsted judgements at both schools. The quality of this support was recognised in the Ofsted monitoring visit report;
- The successful launch of Kernow Teaching School Hub and the OneCornwall Teaching School Hub Partnership;
- A record high number of trainee teachers qualifying through the Trust's Initial Teacher Education programme with one trainee being awarded the Ted Wragg award from Exeter University for outstanding performance and achievement;
- Successful recruitment of, and transition to, a new CEO for the Trust following the retirement of Jennie Walker, and a new Deputy CEO appointed following the successful promotion of Clare Crowle to CEO;
- Beacon ACE Academy designated as a regional training centre for Talk for Writing;
- Continued high levels of stakeholder satisfaction evidenced through the annual Edurio surveys;
- Kernow English Hub (designated through Trenance Learning Academy) successfully meeting all key performance indicators.

Kernow Learning Multi Academy Trust

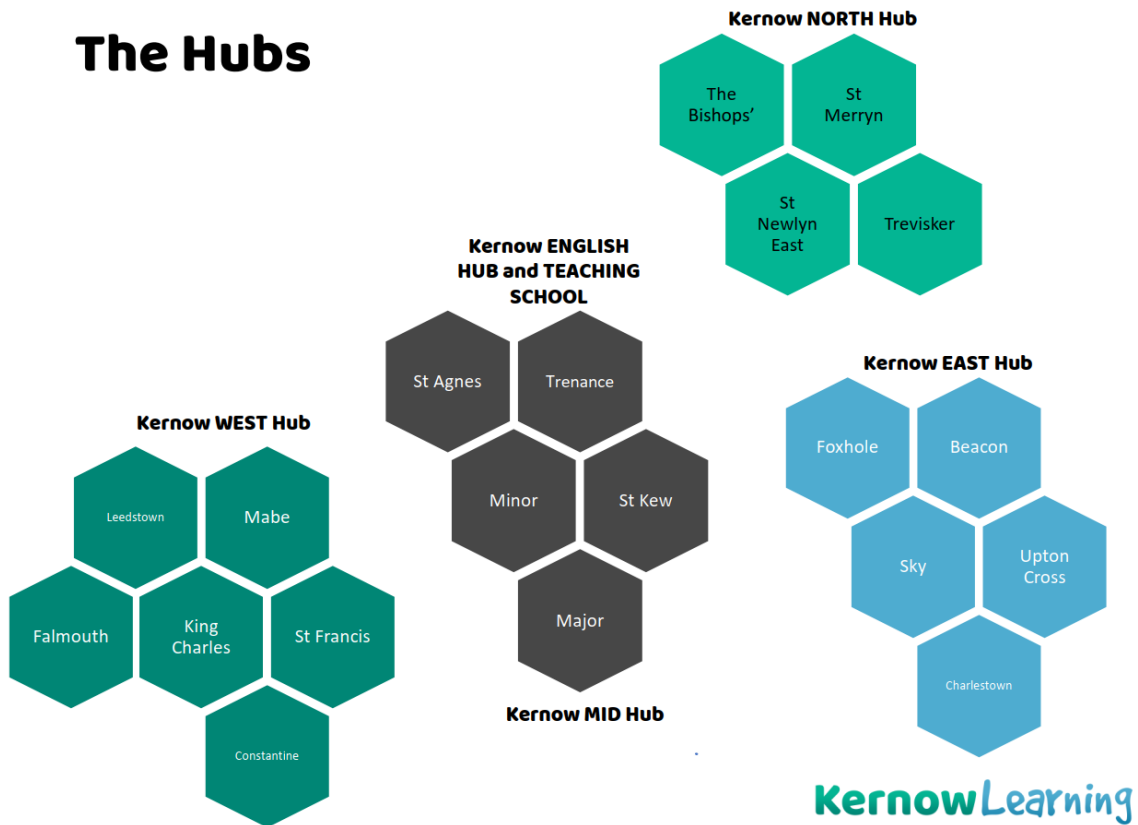
Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

- Strategies on wellbeing, assessment and Early Years were planned and embedded despite the pandemic.
- The Trust developed good strategies and saw gains in mental health provision for children and the use of Trauma Informed Schools to better identify and react to needs.
- A number of school based curriculum developments took place - with a particular emphasis on the growth of science education.

Fig. 2

The Hubs



Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Kernow School Improvement Programme

During 2021/22, Kernow Learning continued to run a CPD and peer-led school improvement programme to all schools within the Trust, as well as four LA Maintained Schools and another local Multi Academy Trust.

The programme offers a wide range of high quality CPD to senior and middle leaders, as well as access to Challenge Partners, teach meets, and moderation of EYFS, KS1 and KS2.

Teaching School Hub

Following Trenance Learning Academy's designation as a Teaching School Hub, Kernow Learning opened the Kernow Teaching School Hub, covering the west of Cornwall and the Isles of Scilly.

Teaching School Hubs are a Department for Education initiative to create an England wide network of 87 centres of excellence for teacher training and development, replacing the previous network of around 750 teaching schools.

In recognition of the desire to provide Cornwall and the Isles of Scilly with a robust and seamless Teaching School Hub provision, Kernow Learning have formed a partnership with The Roseland Multi Academy Trust who have been designated as the Teaching School Hub for the SW11 geographic area (covering the east of Cornwall). The partnership, known as OneCornwall ensures that the entire Cornwall and Isles of Scilly area have access to high-quality professional development for teachers at all stages of their careers.

Initial Teacher Education

Kernow Learning continue to provide Initial Teacher Education through our own programme in partnership with Exeter University and Plymouth Marjon University. This programme, called Kernow Initial Teacher Education (KITE), has two pathways for both primary and SEND routes.

English Hub

The Kernow English Hub, based at Trenance Learning Academy, is one of 34 schools across England appointed by the Department for Education to take a leading role in supporting schools in the teaching of early reading, closing the word gap and promoting a love of reading. Throughout 2021/22 the English Hub continued to deliver its mission to ensure that every child becomes a reader through supporting schools in achieving excellence in early literacy teaching, through an initial focus on:

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Sponsor

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

Key Performance Indicators

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

These include:

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

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

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

Going Concern

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

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Promoting the success of the academy

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

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

Kernow Learning is a large Trust of 21 schools (from September 2022), but despite our size we aim to preserve the individuality of each school within its own community. Our websites promote a clear message of our aim to provide both rigorous and effective school improvement and financial stability to ensure all of our schools continue to provide the very best education in the communities that they serve.

Our success is embodied in the collaborative approach adopted by our Trust Leadership Team, and supported by our Shared Services Teams and Trustees who have a broad range of professional skills and experience from both the private and public sectors. The Trust successfully operates an English Hub from Trenance Learning Academy and delivers school improvement to both Kernow Learning and external schools as well as Initial Teacher Education (ITE) delivered by highly experienced and qualified personnel. As previously mentioned in this report, the Academy Trust, through Trenance Learning Academy, was successfully awarded a Teaching School Hub for the SW8 (Cornwall West and the Isles of Scilly) region and is a partner of the OneCornwall Teaching School Hub Partnership. All these factors offer a very attractive package to any school interested in joining the Trust.

We also recognise that it is important to maintain our positive and professional trust profile at senior leadership level via participation at local and national events and membership of organisations such as Confederation of Schools Trusts, the Local Government Pension Scheme Board (employer representative) and the Department for Education's MAT Buying and Insight Group Working Party.

Trustees receive feedback from stakeholders through various mediums:

- From Local Advisory Boards (known as Local Governing Bodies from September 2022);
- From expert external professional advisors e.g. Challenge Partners;
- From annual stakeholder surveys;
- From the Trust's Leadership Team as those with delegated responsibility for the day to day running of the Trust.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

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

Financial Review

In accordance with the Master and Supplemental Funding Agreements, the principal source of general funding with which to finance the operations of the Trust, is the Department for Education via the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust held the following fund balances at 31st August 2022:

£2,971,387 unrestricted general funds (2021: £1,931,575)
£1,597,245 restricted general funds (2021: £1,952,079)
£49,076,834 restricted fixed assets [including capital assets held on the balance sheet of £49,054,145 and unspent capital grants of £22,689] (2021: £48,896,864)

Restricted pension reserve deficit: £1,972,000 (2021: £15,991,000)

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

The Trust spent £1,759,911 (2021: £2,402,571) on fixed assets, primarily invested in the provision of capital projects including The Bishops CoE roofing project, toilet refurbishment at Beacon ACE Academy and St Agnes Academy, and classroom replacement works at St Francis CoE Primary School.

For the period 2021/22, the Trust has received £1,473,271 (2021: £1,425,437) from the Department for Education and £21,416 (2021: £26,125) from the Local Authority through the Pupil Premium funding mechanism. This money has all been spent on the additional salary costs and other related support costs against the tracked assessed needs of this monitored group.

The pension fund is in a deficit with a closing balance of £1,972,000 (2021: £15,991,000). As a result of this deficit, additional contributions of £210,998 (2021: £224,011) were paid into the fund, which is included within charitable expenditure in the SOFA.

The Trust made an in-year surplus of £864,948 (2021: surplus of £2,511,000) and the FRS102 LGPS SOFA adjustment £14,019,000 (2021: -£5,575,000).

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Reserves Policy

The Board of Trustees reviewed the Reserves Policy in May 2022 and have set a capital and revenue reserves policy which will be reviewed every two years. The Board of Trustees, as required, will create specific capital reserves to fund future capital expenditure. The Trustees require a revenue reserve to be created to fund future expenditure related to the Trust's strategic long-term aims and developments to protect the Trust with regard to uncertainty over future income streams and other key risks.

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

The current level of free reserves is £2,968,196 (2021: £1,931,575) which is considered appropriate for the Trust and is in excess of the Trustees' set minimum levels of reserves. Trustees have been mindful in keeping sufficient reserves to protect the Trust from rises in costs due to the unsettled economic situation that the UK currently faces. However, it has also identified key areas for investment of reserves during 2022/23 and beyond.

Users of this document should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension deficit totalling £1,972,000. This deficit is included in Restricted Funds. This does not lead to an immediate liability for this amount. Similarly, if there was a pension surplus included within the Restricted Funds, this would not create an immediately realisable asset.

The Board of Trustees have agreed to use £1,500,000 of reserves in 2022/23 to drive forward school improvement and to invest in the energy efficiency of our school estate, for which spending plans are already in place. Additionally a further spend of £1,500,000 has been identified for 2023/24.

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

Investment Policy

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

No other form of investment is authorised.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Principal Risks and Uncertainties

Kernow Learning has formal strategies and processes in place in relation to risk management in order that all risks are assessed and management strategies for these risks are put into place. The Trust's Risk Register is a live document which is overseen and reviewed by the Risk and Audit Committee and is referred to by the Board of Trustees and all committees. This ensures that Trustee business remains risk led, and the Board can have assurance that risks are being well managed, with appropriate mitigation measures in place.

The principal risks facing the Trust are:

Finance and operations: As the majority of Trust funding comes from central government a principal risk centres on the future unknown level of government funding and the uncertain economic situation leading to sustained high levels of inflation. This risk is managed by careful control over budgeted expenditure which ensures that, at Trust level, a deficit does not arise for the year, combined with a prudent reserves policy. The Trustees also self-assess financial and governance arrangements by completing a Self-Assessment and by complying with the latest issued Academies Accounts Direction.

Falling rolls: Kernow Learning Trustees are mindful of the projected falling rolls across primary school provision in Cornwall, and the impact that this will have on the future financial viability of the Trust. This is already being felt in instances where new school provision has opened in areas where there is already a surplus of school places. The Trust is fully aware of the overall picture and is ensuring that the organisation remains agile to respond to the changing landscape whilst accelerating school improvement work to maintain rapid progress of pupil outcomes.

Safeguarding: Safeguarding of pupils and staff is paramount and Kernow Learning puts the health, safety and welfare of pupils, staff and families at the forefront of what we do. The Trust's Executive Safeguarding Lead (ESL) ensures that a robust safeguarding policy and procedure is in place across the Trust and monitors the implementation and effectiveness of these across the Trust. The ESL also leads the Safeguarding Leads group to ensure that there is consistency in terms of safeguarding and child protection Trust-wide.

Education and standards: There is a risk of a downward trajectory in pupil outcomes as a result of lost learning during COVID-19 related school closures, or more generally of an Academy failing to secure a Good or Outstanding judgement from Ofsted. As well as the negative impact that this would have on pupils' educational experience, it could also cause a loss of stakeholder confidence. Kernow Learning is in the process of developing the next phase of its school improvement support, through The Kernow Challenge, which will further strengthen all schools through a coherent and aligned strategy.

Staffing: In common with other Trust's locally and nationally, a very present risk centres on recruiting, developing, and retaining high quality staff to vacancies in both schools and our Shared Services teams. The Trust's ability to train teachers through its ITE programme mitigates this risk to a certain extent. Additionally, the continual review of staffing structures and roles means that the Trust has been able to maintain high quality service whilst responding to the changing employment market.

The Board of Trustees have considered and reviewed the principal risks and uncertainties facing the Trust and have implemented internal controls to mitigate the risks.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption used to calculate emissions (kWh)	3,778,745	4,114,357
Energy consumption break down (kWh)		
Gas (mandatory)	1,525,506	1,849,000
Electricity (mandatory)	1,374,555	1,249,460
Transport fuel (mandatory)	102,890	43,359
Oil (voluntary)	557,338	762,415
Biomass (voluntary)	166,695	175,176
Consumed electricity from on-site renewable sources (voluntary)	51,761	34,947
Scope 1 emissions in metric tonnes CO2e		
Owned transport - mini-buses (mandatory)	11.90	4.20
Gas consumption (mandatory)	279.00	338.70
Oil (voluntary)	142.40	192.80
Biomass (N2O & CH4 only emissions) (voluntary)	1.60	2.70
Total scope 1	434.90	538.40
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity (mandatory)	265.80	265.30
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles (mandatory)	13.30	6.30
Total gross emissions in metric tonnes CO2e	714.00	810.00
Intensity ratio		
Tonnes CO2e per pupil (mandatory)	0.11	0.12
Tonnes of CO2e per square meter floor area (mandatory)	0.02	0.02
Tonnes CO2e per pupil (mandatory and voluntary)	0.14	0.16
Tonnes of CO2e per square meter floor area (mandatory and voluntary)	0.02	0.03

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. This report has been reviewed independently by Briar Consulting Engineers Limited.

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

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

Intensity measurement

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

Measures taken to improve energy efficiency

The majority of our school sites have some form of renewable energy such as wind turbines or solar photovoltaic cells. We have smart meters installed across all sites and continue to reduce the need for travel between sites by taking advantage of video conferencing and other technologies.

As part of our building maintenance programme, we continue to work towards increasing the thermal properties of our estate, for example by increasing insulation when replacing roofs, and fitting double glazed window units where single glazing is in place.

Kernow Learning Trustees have committed to further enhance the sustainability and energy efficiency of the Trust's estate, with future plans to use Trust reserves to improve infrastructure and reduce energy consumption.

Plans for Future Periods

In 2022/23 the Academy Trust will prioritise support to all schools so that pupils and families have access to the very best opportunities. The Kernow Challenge will help shape the future of the Trust and will give a clear focus on the backbone of the organisation, providing the foundation on which we can build excellent schools together.

The Kernow Challenge will involve looking at every aspect of the organisation so that a complete 360 review is undertaken and a holistic view of the strengths and opportunities is understood. The Kernow Challenge will have the singular aim of ensuring that the Trust is well placed to respond to a changing educational, environmental and economical landscape.

Kernow Learning Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2022 (continued)

Strategic Report

In addition:

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

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

The Shared Services Team will push forward with enhancing the use of MIS systems across Trust so that Trust Leaders and Trustees have access to accurate, meaningful and timely data to understand current and future pressures or areas for development. Likewise, these teams will continue to provide functional support services through the combined staffing and management structure to support operational and strategic finance, HR, Estates, IT and Marketing on behalf of the Trust.

Funds Held as Custodian Trustee on Behalf of Others

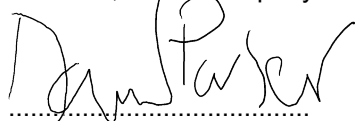
Kernow Learning holds no assets or funds on behalf of other organisations as a Custodian Trustee.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 02/12/2022 and signed on the board's behalf by:



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

Date: 02/12/2022

Kernow Learning Multi Academy Trust

Governance Statement

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Kernow Learning Multi Academy Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Crowle (CEO) (appointed 25 April 2022)	2	2
L Devine (resigned 30 September 2022)	5	7
D Glynn	6	7
P Mason (Vice Chair of Board of Trustees)	6	7
T Ovenden-Hope (resigned 26 July 2022)	4	7
D Parker (Chair of Board of Trustees)	5	7
D Rushton (appointed as Vice Chair of Board of Trustees on 15 July 2022)	5	7
M Smith	5	7
J Sutton	6	7
H Sykes	6	7
S Tym	6	7
J Walker (CEO) (resigned 24 April 2022)	5	5

Following the retirement of the Trust's Chief Executive Officer, Jennie Walker, in April 2022, Clare Crowle was appointed as Chief Executive Officer and subsequently joined the Board of Trustees.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

The Finance Committee is a sub-committee of the Board of Trustees. Its purpose is to meet as and when necessary, but not less than once a term, enable more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility to ensure good management of the Trust's finances and resources, including proper planning, monitoring and probity. This committee has met 3 times during the year. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
C Crowle (CEO)	0	1
L Devine	3	3
P Mason (Vice Chair of Board of Trustees)	2	3
D Rushton (appointed as Vice Chair of Board of Trustees on 15 July 2022)	0	1
M Smith	3	3
J Sutton	3	3
H Sykes	2	3
J Walker (CEO)	2	2

J Walker resigned as CEO on 24 April 2022. C Crowle was appointed as CEO on 25 April 2022.

The Audit and Risk Committee is a sub-committee of the Board of Trustees. Its purpose is to meet as and when necessary, but not less than once a term, to enable more detailed consideration to be given to the best means of fulfilling the Board of Trustees' responsibility in relation to the risks facing the Trust. As part of this, the committee received termly Internal Audit reports and scrutinised these to gain assurance as to the Trust's compliance. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
D Rushton (appointed as Vice Chair of Board of Trustees on 15 July 2022)	4	4
J Sutton	3	4
H Sykes	3	4
J Yarrow (co-opted independent member)	2	2

Kernow Learning Multi Academy Trust

Governance Statement (continued)

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

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

and to monitor and advise the Board on:

- SEN and inclusion;
- Partnership working;
- Admissions and Safeguarding arrangements.

Trustee	Meetings attended	Out of a possible
C Crowle (CEO) (appointed 25 April 2022)	1	1
T Ovenden-Hope	3	3
D Parker	2	3
D Rushton	1	3
S Tym	3	3
J Walker (resigned 24 April 2022)	2	2

Review of Value for Money

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

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

Kernow Learning Multi Academy Trust

Governance Statement (continued)

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

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

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

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

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

COVID-19 continues to impact on procurement in many areas, most notably in the procurement of IT infrastructure and hardware. This has resulted in fluctuating prices across the year and supply chain interruption. The current economic situation has meant that well managed procurement is even more vital to ensure value for money is achieved and the Trust's financial resources are used wisely.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Kernow Learning Multi Academy Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ending 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Cornwall Council.

Kernow Learning Multi Academy Trust

Governance Statement (continued)

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

- Cash and Bank
- Safeguarding and Whistleblowing
- Premises
- Business Continuity
- Data and IT Management

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

The Trust confirms that the internal auditor has delivered their schedule of work as planned. The payroll testing highlighted areas where additional work could be undertaken to provide firm assurance to the Board of Trustees that work is undertaken.

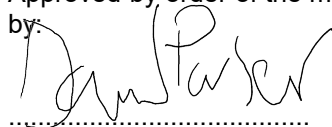
Review of Effectiveness

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

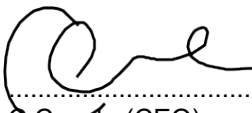
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool; and
- the work of the Executive Leaders within the Trust who have responsibility for the development and maintenance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

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

Approved by order of the members of the Board of Trustees on 02/12/2022 and signed on its behalf by:



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



.....
C Crowle (CEO)
Accounting Officer

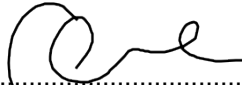
Kernow Learning Multi Academy Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Kernow Learning Multi Academy Trust I have considered my responsibility to notify the Board of Trustees of Kernow Learning Multi Academy Trust and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the Board of Trustees of Kernow Learning Multi Academy Trust are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Trust Handbook 2021.

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



.....
C Crowe (CEO)
Accounting Officer

Date: 02/12/2022

Kernow Learning Multi Academy Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 02/12/2022 and signed on its behalf by:



D Parker (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

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

Opinion

We have audited the financial statements of Kernow Learning Multi Academy Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account), Balance Sheet as at 31 August 2022, Statement of Cash Flows for the year ended 31 August 2022, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

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

Kernow Learning Multi Academy Trust

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 35], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

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

Kernow Learning Multi Academy Trust

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the education sector in which it operates to identify the key laws and regulations affecting the entity. The key laws and regulations we identified were compliance with the funding agreement and Academies Trust Handbook 2021 and requirements with regard to safeguarding.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Academies Accounts Direction 2021/22, Companies Act 2006 and Charities Act 2011.

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

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

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

- Conducting detailed regularity testing in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts as issued by the ESFA, as reported on separately in our Independent Reporting Accountant's Assurance Report;
- Reviewed Board and Finance and Audit Committee minutes for indications of non compliance;
- Reviewed legal and professional costs to identify legal costs in respect of non compliance;
- Discussed the procedures in place for ensuring the safeguarding of pupils, including DBS checks and identified those staff and governors with responsibility for overseeing these areas; and
- Reviewed the accounts disclosures against those in the Academies Model Accounts 2021 to 2022, published by the ESFA.

Kernow Learning Multi Academy Trust

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

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

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

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

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

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

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

Use of our report

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

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

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date:.....

Kernow Learning Multi Academy Trust

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

In accordance with the terms of our engagement letter dated 8 January 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Kernow Learning Multi Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Kernow Learning Multi Academy Trust's funding agreement with the Secretary of State for Education dated 15 October 2010 and the Academy Trust Handbook 2021, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

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

Kernow Learning Multi Academy Trust

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

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

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date:.....

Kernow Learning Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2021/22 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants					
	2	9,232	69,821	1,022,187	1,101,240
	4	604,050	142,307	-	746,357
	5	632	-	-	632
<i>Charitable activities:</i>					
Funding for the Academy's educational operations					
	3	720,031	27,205,330	-	27,925,361
	29	-	269,229	-	269,229
Total		<u>1,333,945</u>	<u>27,686,687</u>	<u>1,022,187</u>	<u>30,042,819</u>
Expenditure on:					
Raising funds					
	6	225,924	-	-	225,924
<i>Charitable activities:</i>					
Academy trust educational operations					
	7	71,400	29,846,277	1,399,199	31,316,876
	29	-	338,070	-	338,070
Total		<u>297,324</u>	<u>30,184,347</u>	<u>1,399,199</u>	<u>31,880,870</u>
Net income/(expenditure)		1,036,621	(2,497,660)	(377,012)	(1,838,051)
Transfers between funds		3,191	(560,173)	556,982	-
Other recognised gains and losses					
Actuarial gain on defined benefit pension schemes					
	27	-	16,722,000	-	16,722,000
Net movement in funds		1,039,812	13,664,167	179,970	14,883,949
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021					
		<u>1,931,575</u>	<u>(14,038,921)</u>	<u>48,896,864</u>	<u>36,789,518</u>
Total funds/(deficit) carried forward at 31 August 2022					
		<u><u>2,971,387</u></u>	<u><u>(374,754)</u></u>	<u><u>49,076,834</u></u>	<u><u>51,673,467</u></u>

Kernow Learning Multi Academy Trust

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

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


Kernow Learning Multi Academy Trust

(Registration number: 7394649)

Balance Sheet as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	48	2,530
Tangible assets	13	<u>49,054,097</u>	<u>48,693,537</u>
		<u>49,054,145</u>	<u>48,696,067</u>
Current assets			
Stocks	14	-	3,500
Debtors	15	1,268,193	1,554,288
Cash at bank and in hand		<u>5,964,351</u>	<u>5,163,144</u>
		7,232,544	6,720,932
Creditors: Amounts falling due within one year	16	<u>(2,632,715)</u>	<u>(2,617,357)</u>
Net current assets		<u>4,599,829</u>	<u>4,103,575</u>
Total assets less current liabilities		53,653,974	52,799,642
Creditors: Amounts falling due after more than one year	17	<u>(8,507)</u>	<u>(19,124)</u>
Net assets excluding pension liability		53,645,467	52,780,518
Defined benefit pension scheme liability	27	<u>(1,972,000)</u>	<u>(15,991,000)</u>
Total net assets		<u>51,673,467</u>	<u>36,789,518</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,597,246	1,952,079
Restricted fixed asset fund		49,076,834	48,896,864
Restricted pension fund		<u>(1,972,000)</u>	<u>(15,991,000)</u>
		48,702,080	34,857,943
Unrestricted funds			
Unrestricted general fund		<u>2,971,387</u>	<u>1,931,575</u>
Total funds		<u>51,673,467</u>	<u>36,789,518</u>

The financial statements on pages 42 to 76 were approved by the Trustees, and authorised for issue on 02/12/2022. and signed on their behalf by:



D Parker (Chair of Board of Trustees)
Trustee

Kernow Learning Multi Academy Trust

Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	22	1,548,417	3,424,572
Cash flows from investing activities	24	(734,458)	(960,643)
Cash flows from financing activities	23	<u>(12,752)</u>	<u>(174,060)</u>
Change in cash and cash equivalents in the year		801,207	2,289,869
Cash and cash equivalents at 1 September		<u>5,163,144</u>	<u>2,873,275</u>
Cash and cash equivalents at 31 August	25	<u><u>5,964,351</u></u>	<u><u>5,163,144</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

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

Basis of preparation

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going concern

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

Income

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

Grants

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

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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 Trust has provided the goods or services.

Transfer on conversion

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

Transfer of existing academies into the academy trust

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Intangible fixed assets

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

Asset class	Amortisation method and rate
Software	25% straight line

Tangible fixed assets

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

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

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

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

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

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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 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.

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

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

Taxation

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Pension benefits

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2022 excludes the expected impact of compensation payments arising from this judgement on the basis of materiality.

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2021/22 Total £	2020/21 Total £
Other voluntary income					
Capital grants	-	-	1,022,187	1,022,187	1,439,327
Other donations	9,232	69,821	-	79,053	52,070
	<u>9,232</u>	<u>69,821</u>	<u>1,022,187</u>	<u>1,101,240</u>	<u>1,491,397</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Multi Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021/22 £	Total 2020/21 £
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	22,065,358	22,065,358	20,339,472
Other DfE/EFA grants	-	654,315	654,315	1,887,805
UIFSM	-	707,419	707,419	758,941
Pupil premium	-	1,473,271	1,473,271	1,425,437
	<u>-</u>	<u>24,900,363</u>	<u>24,900,363</u>	<u>24,411,655</u>
Other government grants				
Other LA grants	-	1,399,406	1,399,406	1,375,517
Other government grants	-	189,051	189,051	13,914
	<u>-</u>	<u>1,588,457</u>	<u>1,588,457</u>	<u>1,389,431</u>
COVID-19 additional funding (DfE/ESFA)				
Covid Catch Up Premium	-	625,362	625,362	405,670
	<u>-</u>	<u>625,362</u>	<u>625,362</u>	<u>405,670</u>
Non-government grants and other income				
Non grant income	720,031	91,148	811,179	414,495
	<u>720,031</u>	<u>91,148</u>	<u>811,179</u>	<u>414,495</u>
Total grants	<u>720,031</u>	<u>27,205,330</u>	<u>27,925,361</u>	<u>26,621,251</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Hire of facilities	15,775	-	15,775	19,123
Recharges and reimbursements	19,148	-	19,148	22,367
Other income	569,127	142,307	711,434	269,040
	<u>604,050</u>	<u>142,307</u>	<u>746,357</u>	<u>310,530</u>

5 Investment income

	Unrestricted funds £	2021/22 Total £	2020/21 Total £
Short term deposits	<u>632</u>	<u>632</u>	<u>601</u>

6 Expenditure

	Non-Pay Expenditure			2021/22 Total £	2020/21 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	225,924	-	-	225,924	130,982
Academy's educational operations					
Direct costs	18,220,761	-	1,678,277	19,899,038	18,511,880
Allocated support costs	5,409,478	3,157,547	2,850,813	11,417,838	10,105,027
Teaching School					
Direct costs	150,032	5,512	182,526	338,070	343,119
	<u>24,006,195</u>	<u>3,163,059</u>	<u>4,711,616</u>	<u>31,880,870</u>	<u>29,091,008</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2021/22	2020/21
	£	£
Operating leases - plant and machinery	209,762	106,715
Amortisation of intangible fixed assets	2,482	3,220
Fees payable to auditor - audit	16,500	15,000
- other audit services	13,275	15,000
Depreciation	<u>1,396,717</u>	<u>1,369,876</u>

7 Charitable activities

	Total	Total
	2021/22	2020/21
	£	£
Direct costs - educational operations	19,897,567	18,511,880
Support costs - educational operations	<u>11,419,309</u>	<u>10,105,027</u>
	<u>31,316,876</u>	<u>28,616,907</u>

	Educational	Total	Total
	operations	2021/22	2020/21
	£	£	£
Analysis of support costs			
Support staff costs	5,409,479	5,409,479	4,310,666
Depreciation	1,399,199	1,399,199	1,373,098
Technology costs	438,460	438,460	409,954
Premises costs	1,758,348	1,758,348	1,725,702
Other support costs	2,382,548	2,382,548	2,240,820
Governance costs	<u>31,275</u>	<u>31,275</u>	<u>44,787</u>
Total support costs	<u>11,419,309</u>	<u>11,419,309</u>	<u>10,105,027</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff

Staff costs

	2021/22 £	2020/21 £
Staff costs during the year were:		
Wages and salaries	16,152,561	15,522,537
Social security costs	1,446,036	1,335,616
Pension costs	5,957,193	4,845,999
	<u>23,555,790</u>	<u>21,704,152</u>
Supply teacher costs	448,489	258,391
Staff restructuring costs	1,916	3,571
	<u>24,006,195</u>	<u>21,966,114</u>
	2021/22 £	2020/21 £

Staff restructuring costs comprise:

Redundancy payments	<u>1,916</u>	<u>3,571</u>
---------------------	--------------	--------------

Staff numbers

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

	2021/22 No.	2020/21 No.
Charitable Activities		
Teachers	240	247
Administration and support	489	498
Management	<u>27</u>	<u>23</u>
	<u>756</u>	<u>768</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Staff (continued)

Higher paid staff

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

	2021/22 No.	2020/21 No.
£60,001 - £70,000	13	13
£70,001 - £80,000	4	4
£80,001 - £90,000	4	4
£90,001 - £100,000	3	3
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£150,001 - £160,000	-	1

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer National Insurance Contributions) received by key management personnel for their services to the Multi Academy Trust was £793,726 (2020 - £2,094,741).

The difference in costs between the two years reflects the make-up of the Senior Leadership Team i.e. the Executive Leadership Team and the Trust's headteachers; the 2021-22 costs comprise the core Executive Leadership Team only.

9 Central services

The Trust's Shared Services Teams provide:

- Finance (including a dedicated finance processing team);
- Audit and accountancy;
- Legal services (through an external SLA);
- Estates management;
- HR (including central recruitment and staff wellbeing services);
- Governance support;
- Procurement;
- School improvement;
- Leadership support;
- IT support services (through an external SLA);
- General business services support (including project management, Trust policies, marketing, and website management)

The Trust pools the GAG funding, with approximately 7% of GAG funding used to provide the centralised activities of the Shared Services Teams.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Central services (continued)

The actual amounts charged during the year were as follows:

	2022
	£
Trenance Learning Academy	102,597
Falmouth Primary Academy	97,136
Foxhole Learning Academy	33,439
St Newlyn East Learning Academy	55,852
St Merryn School	43,187
Constantine Primary School	54,638
Leedstown Community Primary School	23,494
Mabe School	51,125
The Bishops C of E Learning Academy	106,543
Trevisker Primary School	54,421
Beacon ACE Academy	129,219
Charlestown Primary School	126,577
St Agnes Academy	107,150
St Columb Major Academy	111,096
St Columb Minor Academy	159,967
St Kew ACE Academy	30,660
Upton Cross ACE Academy	35,040
King Charles C of E School	125,363
St Francis C of E School	127,184
	<hr/>
	1,574,688
	<hr/> <hr/>

10 Directors' remuneration and expenses

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

J Walker (CEO)

Remuneration: £80,000 - £85,000 (2021 - £125,000 - £130,000)

Employer's pension contributions: £15,000 - £20,000 (2021 - £30,000 - £35,000)

C Crowle (CEO)

Remuneration: £90,000 - £95,000 (2021 - £80,000 - £85,000)

Employer's pension contributions: £20,000 - £25,000 (2021 - £15,000 - £20,000)

J Walker resigned as CEO on 24 April 2022. C Crowle was appointed as CEO on 25 April 2022.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

11 Directors' and officers' insurance

In accordance with normal commercial practice the Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 (2021 - £1,000,000) on any one claim and the cost for the year ended 31 August 2022 was £1,232 (2021- £280).

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

12 Intangible fixed assets

	Software £	2021/22 Total £
Cost		
At 1 September 2021	21,933	21,933
At 31 August 2022	21,933	21,933
Amortisation		
At 1 September 2021	19,403	19,403
Charge for the year	2,482	2,482
At 31 August 2022	21,885	21,885
Carrying amount		
At 31 August 2022	48	48
At 31 August 2021	2,530	2,530

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Assets under construction £	Site Improvements £	2021/22 Total £
Cost								
At 1 September 2021	4,964,148	47,326,546	1,588,056	1,764,838	17,650	275,211	596,563	56,533,012
Additions	46,465	1,205,721	287,070	157,203	13,695	17,183	32,574	1,759,911
Disposals	-	-	-	-	-	-	(2,867)	(2,867)
Transfers	-	272,322	-	-	-	(272,322)	-	-
At 31 August 2022	<u>5,010,613</u>	<u>48,804,589</u>	<u>1,875,126</u>	<u>1,922,041</u>	<u>31,345</u>	<u>20,072</u>	<u>626,270</u>	<u>58,290,056</u>
Depreciation								
At 1 September 2021	352,631	4,833,661	1,228,370	1,386,747	11,618	-	26,448	7,839,475
Charge for the year	82,025	864,546	212,673	219,829	5,119	-	12,525	1,396,717
Eliminated on disposals	-	-	-	-	-	-	(233)	(233)
At 31 August 2022	<u>434,656</u>	<u>5,698,207</u>	<u>1,441,043</u>	<u>1,606,576</u>	<u>16,737</u>	<u>-</u>	<u>38,740</u>	<u>9,235,959</u>
Net book value								
At 31 August 2022	<u>4,575,957</u>	<u>43,106,382</u>	<u>434,083</u>	<u>315,465</u>	<u>14,608</u>	<u>20,072</u>	<u>587,530</u>	<u>49,054,097</u>
At 31 August 2021	<u>4,611,517</u>	<u>42,492,885</u>	<u>359,686</u>	<u>378,091</u>	<u>6,032</u>	<u>275,211</u>	<u>570,115</u>	<u>48,693,537</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Stock

	2022	2021
	£	£
Stock of goods	<u>-</u>	<u>3,500</u>

15 Debtors

	2022	2021
	£	£
Trade debtors	140,221	4,427
Prepayments and accrued income	956,834	889,995
VAT recoverable	<u>171,138</u>	<u>659,866</u>
	<u>1,268,193</u>	<u>1,554,288</u>

16 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	764,190	733,631
Other taxation and social security	322,385	315,185
Other creditors	18,573	15,474
Pension scheme creditor	403,714	386,383
Accruals	598,775	654,425
Deferred income	<u>525,078</u>	<u>512,259</u>
	<u>2,632,715</u>	<u>2,617,357</u>

Included within other creditors is a loan of £10,617 (2021 - £12,752) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

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

	2022 £	2021 £
Deferred income		
Deferred income at 1 September 2021	512,259	498,950
Resources deferred in the period	525,078	512,259
Amounts released from previous periods	<u>(512,259)</u>	<u>(498,950)</u>
Deferred income at 31 August 2022	<u>525,078</u>	<u>512,259</u>

Income has been deferred mainly in relation to the Universal Free School Meal Fund and Rates Relief. There is also income deferred in relation to Pre-school rent received in advance. The deferral serves to recognise the income over the time periods to which it relates.

17 Creditors: amounts falling due after one year

	2022 £	2021 £
Other creditors	<u>8,507</u>	<u>19,124</u>

Included within other creditors is a loan of £8,507 (2021 - £19,124) from Salix Finance Limited which is provided on the following terms: the loan is interest free and repayable over 8 years.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	1,158,333	22,065,358	(21,717,978)	(379,943)	1,125,770
Universal Infant Free School Meals	-	707,419	(707,419)	-	-
Pupil Premium	-	1,473,271	(1,473,271)	-	-
COVID catch up and Recovery Premium	281,132	625,362	(684,714)	(2,257)	219,523
Other DfE/ESFA revenue grants	207,392	885,735	(942,981)	(126,590)	23,556
LA and other restricted funds	110,674	1,539,606	(1,507,014)	(51,383)	91,883
Teaching School	194,548	269,229	(435,128)	-	28,649
KITE/SIP/CTST	-	120,707	(12,842)	-	107,865
	<u>1,952,079</u>	<u>27,686,687</u>	<u>(27,481,347)</u>	<u>(560,173)</u>	<u>1,597,246</u>
Restricted fixed asset funds					
Assets transferred from conversion	30,489,483	394,179	(556,850)	-	30,326,812
Assets purchased/ donated	18,207,154	-	(842,349)	1,362,542	18,727,347
DfE/ESFA capital grants	158,328	618,819	-	(754,472)	22,675
LA and other capital funds	41,899	9,189	-	(51,088)	-
	<u>48,896,864</u>	<u>1,022,187</u>	<u>(1,399,199)</u>	<u>556,982</u>	<u>49,076,834</u>
Restricted pension funds					
Pension Fund	(15,991,000)	-	(2,703,000)	16,722,000	(1,972,000)
Total restricted funds	34,857,943	28,708,874	(31,583,546)	16,718,809	48,702,080
Unrestricted funds					
Unrestricted general funds	<u>1,931,575</u>	<u>1,333,945</u>	<u>(297,324)</u>	<u>3,191</u>	<u>2,971,387</u>
Total funds	<u>36,789,518</u>	<u>30,042,819</u>	<u>(31,880,870)</u>	<u>16,722,000</u>	<u>51,673,467</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

The Trust is not subject to GAG carried forward limits.

Teaching school includes both the now closed KTSA (Kernow Teaching School Alliance) and the new Teaching School Hub.

Kernow English Hub is included within Other DfE/ESFA revenue grants. The English Hub provides specialist support to Cornish Schools.

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

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

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

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

Covid catch up and Recovery Premium - The funding is granted to support pupils to catch up on missed learning caused by coronavirus (covid-19).

KITE/SIP/CTST - KITE is an Initial Teacher Training facility comprising a partnership of schools across Cornwall, led by Trenance Learning Academy. The Kernow School Improvement Programme (SIP) is led by KL Trust and provides high-quality, high-impact CPD across 19 schools across Cornwall. Cornwall Teaching Schools Together is now the Cornwall Operational Board and is overseen by Kernow Learning and Truro and Penwith MAT.

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

	Total £
Beacon ACE Academy	61,922
The Bishops C of E Learning Academy	56,681
Charlestown Primary School	49,306
Constantine Primary School	5,267
English HUB	12,084
Falmouth Primary Academy	14,106
Foxhole Learning Academy	16,586
St Kew ACE Academy	10,054
King Charles C of E School	1,434
Leedstown Community Primary School	7,099
Mabe School	4,550
St Columb Major Academy	21,062
St Columb Minor Academy	56,452
Sky School	29,090
St Newlyn East Learning Academy	529
St Agnes Academy	21,698
St Francis C of E School	2,925
St Merryn School	6,368
Trenance Learning Academy	11,312
Trevisker Primary School	11,888
Teaching School HUB	(24,873)
Upton Cross ACE Academy	8,015
Central services	<u>4,185,078</u>
Total before fixed assets and pension reserve	4,568,633
Restricted fixed assets fund	49,076,834
Pension Fund	<u>(1,972,000)</u>
Total	<u><u>51,673,467</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2022 £
Beacon ACE Academy	1,594,833	258,267	84,488	388,461	2,326,049
The Bishops C of E Learning Academy	1,230,821	181,596	89,951	263,006	1,765,374
Charlestown Primary School	1,293,385	190,999	65,444	323,933	1,873,761
Constantine Primary School	616,027	63,125	38,607	221,723	939,482
English HUB	95,262	31,363	135,626	152,954	415,205
Falmouth Primary Academy	1,099,466	100,770	56,995	349,916	1,607,147
Foxhole Learning Academy	390,697	38,439	26,656	125,106	580,898
St Kew ACE Academy	302,925	20,679	28,329	115,622	467,555
King Charles C of E School	1,302,226	113,904	100,472	343,826	1,860,428
Leedstown Community Primary School	257,541	22,867	16,155	110,421	406,984
Mabe School	722,506	56,512	41,678	173,289	993,985
St Columb Major Academy	1,277,592	170,712	60,449	283,486	1,792,239
St Columb Minor Academy	1,711,458	249,177	55,165	338,811	2,354,611
Sky School	51,735	49,602	8,128	36,371	145,836
St Newlyn East Learning Academy	564,767	54,469	29,448	155,408	804,092
St Agnes Academy	1,187,525	74,711	80,437	268,007	1,610,680
St Francis C of E School	1,267,713	120,222	121,915	340,657	1,850,507
St Merryn School	525,372	73,964	31,754	131,129	762,219
Trenance Learning Academy	1,337,187	249,393	57,825	332,176	1,976,581
Trevisker Primary School	616,600	88,343	36,298	188,772	930,013

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2022 £
Teaching School HUB	124,580	25,452	-	188,038	338,070
Upton Cross ACE Academy	442,691	31,812	28,617	107,876	610,996
Central services	-	-	-	-	4,068,958
Academy Trust	<u>18,012,909</u>	<u>2,266,378</u>	<u>1,194,437</u>	<u>4,938,988</u>	<u>30,481,670</u>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Beacon ACE Academy	1,510,428	271,700	48,657	390,757	2,221,542
The Bishops C of E Learning Academy	1,098,353	197,976	42,835	241,173	1,580,337
Charlestown Primary School	1,187,836	197,028	37,269	262,580	1,684,713
Constantine Primary School	565,588	44,567	21,674	188,861	820,690
English HUB	101,830	30,651	106,564	93,161	332,206
Falmouth Primary Academy	1,063,899	123,783	32,114	330,439	1,550,235
Foxhole Learning Academy	354,842	26,924	17,157	124,692	523,615
St Kew ACE Academy	284,440	20,937	14,203	106,116	425,696
King Charles C of E School	1,293,271	91,205	57,217	376,213	1,817,906
Leedstown Community Primary School	228,610	21,119	6,660	100,460	356,849
Mabe School	646,264	48,196	20,689	194,453	909,602
St Columb Major Academy	1,239,969	184,903	36,769	300,334	1,761,975

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Funds (continued)

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
St Columb Minor Academy	1,721,110	304,680	34,896	343,151	2,403,837
Sky School	-	-	20	12,067	12,087
St Newlyn East Learning Academy	626,319	58,561	26,396	147,388	858,664
St Agnes Academy	1,097,605	85,932	44,778	225,681	1,453,996
St Francis C of E School	1,255,690	124,378	57,772	347,763	1,785,603
St Merryn School	490,967	75,688	23,037	131,392	721,084
Trenance Learning Academy	1,252,071	255,718	48,561	194,588	1,750,938
Trevisker Primary School	567,378	87,793	20,850	150,537	826,558
Teaching School HUB	227,285	-	-	115,834	343,119
Upton Cross ACE Academy	413,068	30,806	23,891	100,230	567,995
Central services	-	-	-	-	6,017,328
Academy Trust	<u>17,226,823</u>	<u>2,282,545</u>	<u>722,009</u>	<u>4,477,870</u>	<u>30,726,575</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

19 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	48	48
Tangible fixed assets	-	-	49,054,097	49,054,097
Current assets	2,971,387	3,889,446	371,711	7,232,544
Current liabilities	-	(2,292,200)	(340,515)	(2,632,715)
Creditors over 1 year	-	-	(8,507)	(8,507)
Pension scheme liability	-	(1,972,000)	-	(1,972,000)
Total net assets	<u><u>2,971,387</u></u>	<u><u>(374,754)</u></u>	<u><u>49,076,834</u></u>	<u><u>51,673,467</u></u>

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

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

20 Capital commitments

	2022 £	2021 £
Contracted for, but not provided in the financial statements	<u><u>279,038</u></u>	<u><u>701,149</u></u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Financial commitments

Operating leases

At 31 August 2022 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	199,004	139,053
Amounts due between one and five years	<u>203,760</u>	<u>190,126</u>
	<u>402,764</u>	<u>329,179</u>

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

	2022 £	2021 £
Net (expenditure)/income	(1,838,051)	8,922,612
Amortisation	2,482	3,220
Depreciation	1,396,717	1,369,876
Capital grants from DfE and other capital income	(1,022,187)	(1,439,327)
Non cash balances transferred from other MATs	-	(7,906,735)
Interest receivable	(632)	(601)
Defined benefit pension scheme cost less contributions payable	2,420,000	1,427,000
Defined benefit pension scheme finance cost	283,000	189,000
Decrease/(increase) in stocks	3,500	(3,500)
Decrease in debtors	286,095	164,298
Increase in creditors	<u>17,493</u>	<u>698,729</u>
Net cash provided by Operating Activities	<u>1,548,417</u>	<u>3,424,572</u>

23 Cash flows from financing activities

	2022 £	2021 £
Repayments of Salix and DfE Loans	<u>(12,752)</u>	<u>(174,060)</u>
Net cash used in financing activities	<u>(12,752)</u>	<u>(174,060)</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

24 Cash flows from investing activities

	2022 £	2021 £
Interest income	632	601
Purchase of tangible fixed assets	(1,759,911)	(2,402,571)
Proceeds from sale of tangible fixed assets	2,634	2,000
Capital grants from DfE Group	618,819	700,397
Capital funding received from sponsors and others	403,368	738,930
Net cash used in investing activities	<u>(734,458)</u>	<u>(960,643)</u>

25 Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	<u>5,964,351</u>	<u>5,163,144</u>
Total cash and cash equivalents	<u>5,964,351</u>	<u>5,163,144</u>

26 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash	5,163,144	801,207	5,964,351
Loans falling due within one year	(2,617,355)	(15,361)	(2,632,716)
Loans falling due after more than one year	(19,124)	10,617	(8,507)
	<u>(2,636,479)</u>	<u>(4,744)</u>	<u>(2,641,223)</u>
Total	<u>2,526,665</u>	<u>796,463</u>	<u>3,323,128</u>

27 Pension and similar obligations

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

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

Contributions amounting to £403,714 (2021 - £386,383) were payable to the schemes at 31 August and are included within creditors.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,273,965 (2021: £2,001,000).

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

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

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,612,000 (2021 - £1,514,000), of which employer's contributions totalled £1,263,000 (2021 - £1,194,000) and employees' contributions totalled £349,000 (2021 - £320,000). The agreed contribution rates for future years are 17 per cent for employers and 5.5 - 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2022 %	2021 %
Rate of increase in salaries	3.10	2.90
Rate of increase for pensions in payment/inflation	3.10	2.90
Discount rate for scheme liabilities	<u>4.30</u>	<u>1.70</u>

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

	2022	2021
Retiring today		
Males retiring today	21.30	21.50
Females retiring today	23.90	24.10
Retiring in 20 years		
Males retiring in 20 years	22.50	22.80
Females retiring in 20 years	<u>25.60</u>	<u>25.80</u>

Sensitivity analysis

	At 31 August 2022 £	At 31 August 2021 £
Discount rate -0.1%	513,000	856,000
Salary rate +0.1%	39,000	65,000
Pension rate +0.1%	<u>479,000</u>	<u>778,000</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	10,205,440	10,155,000
Other bonds	6,196,160	6,128,000
Property	1,457,920	1,051,000
Cash and other liquid assets	<u>364,480</u>	<u>175,000</u>
Total market value of assets	<u>18,224,000</u>	<u>17,509,000</u>

The actual return on scheme assets was £729,000 (2021 - £2,451,000).

Amounts recognised in the statement of financial activities

	2021/22	2020/21
	£	£
Current service cost	3,683,000	2,621,000
Net interest cost	<u>283,000</u>	<u>189,000</u>
Total amount recognised in the SOFA	<u>3,966,000</u>	<u>2,810,000</u>

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

	2021/22	2020/21
	£	£
At start of period	(33,500,000)	(21,411,000)
Transferred in on existing academies joining the trust	-	(3,078,000)
Current service cost	(3,683,000)	(2,621,000)
Interest cost	(584,000)	(440,000)
Employee contributions	(349,000)	(320,000)
Actuarial (gain)/loss	17,755,000	(5,768,000)
Benefits paid	<u>165,000</u>	<u>138,000</u>
At 31 August	<u>(20,196,000)</u>	<u>(33,500,000)</u>

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

27 Pension and similar obligations (continued)

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

	2021/22 £	2020/21 £
At start of period	17,509,000	12,331,000
Transferred in on existing academies joining the trust	-	1,742,000
Interest income	301,000	251,000
Actuarial gain/(loss)	(1,033,000)	1,809,000
Employer contributions	1,263,000	1,194,000
Employee contributions	349,000	320,000
Benefits paid	<u>(165,000)</u>	<u>(138,000)</u>
At 31 August	<u>18,224,000</u>	<u>17,509,000</u>

28 Related party transactions

Owing to the nature of the Trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 8.

Kernow Learning Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

29 Teaching school trading account

	2021/22 £	2020/21 £
Income		
Direct Income		
Other income	<u>269,229</u>	<u>333,383</u>
Total Income	<u>269,229</u>	<u>333,383</u>
Expenditure		
Direct costs		
Other direct costs	<u>435,128</u>	<u>343,118</u>
Total Expenditure	(435,128)	(343,118)
Transfers between funds excluding depreciation	<u>-</u>	<u>(2,060)</u>
Deficit from all sources	(165,899)	(11,795)
Teaching school balances at 1 September 2021	<u>194,548</u>	<u>206,343</u>
Teaching school balances at 31 August 2022	<u><u>28,649</u></u>	<u><u>194,548</u></u>

Teaching school includes both the now closed KTSA (Kernow Teaching School Alliance) and the new Teaching School Hub.

30 Members' liability

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