
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 19
Governance Statement	20 - 24
Statement on Regularity, Propriety and Compliance	25
Statement of Trustees' Responsibilities	26
Independent Auditor's Report on the Financial Statements	27 - 30
Independent Reporting Accountant's Report on Regularity	31 - 32
Statement of Financial Activities Incorporating Income and Expenditure Account	33 - 34
Balance Sheet	35 - 36
Statement of Cash Flows	37
Notes to the Financial Statements	38 - 74

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Southwell & Nottingham Diocesan Board of Finance (Corporate) Bishop of Southwell & Nottingham Chair of the Board of Southwell & Nottingham Multi Academy Trust Chair of The Diocese of Southwell & Nottingham Board of Education
Trustees	Philip Blinston Hilary Craik Ian Griffiths John Hunter Chris Moodie Angela Pae Roger Periam Nigel Frith (appointed 4 December 2020)
Company registered number	08738949
Company name	Diocese of Southwell and Nottingham Multi-Academy Trust
Principal and registered office	Jubilee House Westgate Southwell Nottingham NG25 0JH
Company secretary	Jo Saville
Chief executive officer	Chris Moodie

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Senior management team

Chris Moodie, CEO
Anna Martin, Principal Magnus C of E Academy and Executive Head West Grantham Primary and Secondary Academies from 1 January 2021
Kerrie Clowes, Headteacher Harworth C of E Academy
Sam Robinson, Headteacher St Mary Magdalene C of E Primary School
Gez Rizzo, Headteacher St John's C of E Academy (from 1 September 2020)
Phil Abbott, Headteacher Worksop Priory C of E Primary Academy
Liz Duffell, Headteacher St Peter's Crosskeys C of E Academy
Heather Gabb, Headteacher Burntstump Seely C of E Primary Academy
Sarah Clarke, Headteacher The King's C of E Primary Academy
James Marshall, Headteacher St Peter's C of E Primary Academy Mansfield
Helen Thomas, Executive Headteacher St Swithun's C of E Primary Academy
Lisa McVeigh, Principal The Samworth Church Academy
Maria Parkin, Headteacher St Mary's C of E Primary School Edwinstowe
Shelley Handley-Sawer, Headteacher Haggonfields Primary and Nursery School (resigned 31 August 2021)
Sarah Barratt, Headteacher Hucknall National C of E Primary School (from 1 September 2020)
Claire Barber, Head of Academies West Grantham (from 1 January 2021)
Jim Semmelroth, Head of School Magnus (from 1 January 2021)
Joanna Hall, Academy Improvement Director (from 1 September 2020)
Sarah Perry, Business Director
Jo Saville, Trust Operations Director
David Orridge, IT Director

Independent auditor

Mazars LLP
Chartered Accountants
Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Bankers

Lloyds Bank PLC
12 - 16 Lower Parliament Street
Nottingham
NG1 3DA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of Diocese of Southwell and Nottingham Multi Academy Trust for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the reporting period the Trust operated academies as follows:

- Magnus C of E Academy an academy for pupils aged 11-19 serving a catchment area in Newark, Nottinghamshire with a pupil capacity of 1050 and 702 on roll in the school census of October 2020.
- Harworth C of E Academy an academy for pupils aged 4 – 11 serving a catchment area in Harworth Nottinghamshire with a capacity of 210 and 188 on roll as in the census October 2020.
- St Mary Magdalene C of E Primary School an academy for pupils aged 4 – 11 serving a catchment area in Sutton in–Ashfield in Nottinghamshire with a capacity of 210 and 207 on roll as in the census October 2020.
- St John's C of E Academy an academy for pupils aged 3 – 11 serving a catchment area in Worksop in Nottinghamshire with a capacity of 420, not including the nursery, and 418 pupils of statutory school age on roll as in the census October 2020. The academy opened its nursery provision for pre school pupils in September 2018.
- St Peter's Crosskeys C of E Academy – an academy for pupils aged 4 – 11 serving a catchment area around Farndon in Nottinghamshire with a capacity of 210 and 204 on roll as in the census October 2020.
- Burntstump Seely C of E Primary Academy – an academy for pupils aged 4 – 11 serving a catchment area around Arnold in Nottinghamshire with a capacity of 120 and 88 pupils of statutory school age on roll as in the census October 2020. The academy opened its nursery provision for pre school pupils in September 2018.
- Worksop Priory C of E Primary Academy – an academy serving a catchment area in Worksop in Nottinghamshire with a capacity of 210 pupils aged 4 – 11 and 207 on roll in the census of October 2020. This academy also has Early Years Foundation Stage provision.
- The King's C of E Primary Academy – an academy serving a catchment area in Newark in Nottinghamshire with a capacity for 345 pupils aged 3 – 11 and 254 pupils of statutory school age on roll in the census October 2020. This academy also has provision for Early Years Foundation Stage pupils. This academy changed its name to from The William Gladstone C of E Primary Academy with effect from 2 November 2020.
- St Peter's C of E Primary Academy Mansfield – an academy serving a catchment area in Mansfield in Nottinghamshire with a capacity for 315 pupils aged 3 – 11 and 225 pupils of statutory school age on roll on the October 2020 census. This academy also has provision for Early Years Foundation Stage pupils.
- St Swithun's C of E Primary Academy – an academy serving a catchment area in East Retford in Nottinghamshire with a capacity for 129 statutory age pupils and 99 pupils on roll on the October 2020 census. This academy also has provision for Early Years Foundation Stage pupils.
- The Samworth Church Academy – an academy for students aged 11 – 19 situated in Mansfield with 1047 students on roll on the October 2020 census. The academy has capacity for 900 11 – 16 age pupils and 250 post 16 students.
- St Mary's C of E Primary School Edwinstowe - an academy serving a catchment area in Edwinstowe near Mansfield Nottinghamshire with a capacity for 105 statutory age pupils and 99 pupils on roll on the October 2020 census. This academy also has provision for Early Years Foundation Stage pupils.
- Haggonfields Primary and Nursery School – an academy serving a catchment area around Rhodesia near Worksop with a capacity for 105 statutory age pupils and 86 pupils on roll on the October 2020 census. This academy also has provision for Early Years Foundation Stage pupils.
- Hucknall National C of E Primary School – an academy serving a catchment area in Hucknall in Nottingham, with a capacity of 420 pupils aged 4 – 11 and 413 on roll on the October 2020 census joined the Trust on 1 September 2020.
- West Grantham C of E Primary Academy and West Grantham C of E Secondary Academy transferred to this Trust from the West Grantham Academies Trust on 1 January 2021. The primary academy had 301 statutory age pupils on roll and the secondary academy had 324 pupils on roll on the October 2020 census.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management

a. Constitution

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

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

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

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

Magnus C of E Academy
Harworth C of E Academy
St Mary Magdalene C of E Primary School
St John's C of E Academy
St Peter's Crosskeys C of E Academy
Burntstump Seely C of E Primary Academy
Worksop Priory C of E Primary Academy
The King's C of E Primary Academy
St Peter's C of E Primary Academy Mansfield
St Swithun's C of E Primary Academy
The Samworth Church Academy
St Mary's C of E Primary School Edwinstowe
Haggonfields Primary and Nursery School
Hucknall National C of E Primary School
West Grantham C of E Primary Academy
West Grantham C of E Secondary Academy

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

b. Members' liability

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

c. Trustees' indemnities

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

e. Policies adopted for the induction and training of Trustees

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

f. Organisational structure

The Trust is run by a Board of Directors who have overall legal responsibility for the operation of the Trust and the Academies within it. The Board works in partnership with its academies. Each Academy has its own Local Governing Body. The Governors who serve on the Local Governing Body are appointed by the Board of Directors. They include both parent and staff representatives. The Trust continues to grow. Hucknall National C of E Primary School joined SNMAT on 1 September 2020 and the West Grantham C of E Primary and Secondary academies transferred to SNMAT on 1 January 2021. Mount C of E Primary and Nursery School converted and joined the Trust on 1 November 2021 and Cotgrave C of E Primary School has been granted its academy order and will convert later in the year.

Academies joining the Trust are allocated to the appropriate academy category based on their latest Ofsted inspection report and recent performance trends. The Trust operates a Scheme of Delegation, which covers finance, human resources, education, asset management and strategy. It provides for certain functions to be carried out by one or more of the following: the Board of Directors, the Chief Executive Officer, the Principal/Headteacher of the Academy and the Local Governing Body of the Academy. The category of allocation is important because the scheme of delegation dictates the constitution of the Local Governing Body and the extent to which responsibilities are delegated to the Local Governing Body of the academy by the Trust Board. During the period under review the Trust served five sponsored academies, three supported academies and eight supporting academies. The Board of Directors meets at least 6 times per year and the Audit Committee meets 3 times per year. In addition a Finance Task Group quality assures the management accounts reports and other task groups are formed with specific remits to focus on strategic topics and report back to the Board by a termly monitoring report as and when required. A Remuneration Committee agrees the remuneration for senior centrally appointed staff annually.

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

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

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

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

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
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Total cost of facility time	-
Total pay bill	25,937,223
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

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

j. Engagement with employees (including disabled persons) (Section 172 Statement)

The Diocese of Southwell and Nottingham MAT had 787 employees at the end of August 2021. The Trust maintains a consultative approach to all aspects of its operation. This is exemplified by the high level of communication the CEO has maintained with all its employees during the Covid 19 pandemic.

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

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

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust
(Section 172 Statement)

The Trust regularly consults with stakeholders. As an education provider it is required to consult with all stakeholders, including parents, the Local Authority and the wider community, regarding admission criteria. The Trust has implemented a consistent format for reporting its' admission criteria to assist all stakeholders with understanding and interpreting admission requirements. The Trust Support Team has liaised with and supported academies during admission consultations to ensure they are as effective and efficient as possible.

Where schools are interested in the possibility of converting to become academies or other academies are interested in transferring into the Diocese of Southwell and Nottingham MAT, the Trust ensures that consultation takes place with the staff, parents and local community to ensure that they are aware of and understand the implications. During 2020-2021 such consultation took place in respect of the West Grantham C of E Primary and Secondary academies, Mount C of E Primary and Nursery School and Cotgrave C of E Primary School. In respect of all church schools there is a requirement that the Trust also consults with the Diocese, which must give approval for a church school to join a Multi Academy Trust.

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

During the Covid 19 lockdown the CEO regularly consulted with the Headteachers, staff and parents of all the academies throughout the lockdown to ensure that everyone was reassured that the necessary processes and procedures were being put in place to safeguard the health of all concerned.

Objectives and activities

a. Objects and aims

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

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

The main objects/aims of the trust during the year ended 31 August 2021 are summarised below:

- To express, both explicitly and implicitly, core Christian values such as responsibility, acceptance, truth and justice throughout our schools and academies and for these to be reflected in all aspects of the curriculum offered.
- To focus on the academic development of pupils with particular reference to Communication, Literacy, Numeracy and IT skills within a curriculum framework that also pays close attention to the personal development of pupils, their leadership and organisational skills, their understanding of citizenship, community involvement and forming a constructive relationship with the world of work.
- To develop pupils' abilities to make informed choices, solve problems and make decisions.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

- To encourage a holistic approach to the development of pupils believing that each person is an individual made in the image of God and should therefore be supported to reach their full potential by receiving the very best education possible.
- To ensure that all pupils succeed and thrive in school by raising aspirations and tackling disadvantage.
- To provide strong support for operational needs to enable head teachers and their staff to focus on teaching and learning.

b. Objectives, strategies and activities

During 2020/21, SNMAT expanded further as Hucknall National Primary Academy joined the Trust in September 2020. This is a two-form entry primary school and brings strength to the Trust with regard to its leadership and some high-quality practitioners.

In January 2021, the West Grantham Academy Trust became the latest partner academy within the Trust. Both the primary and secondary academies in West Grantham were judged to be inadequate at their previous inspections. Both represent substantial challenge and SNMAT are determined that the required improvements will come about as quickly as is possible. Since the transfer, both primary and secondary academies have been stabilised and new staff have been appointed to replace those who have chosen to move on in the face of further change. Executive leadership, with a proven track-record of turning under-performance around, is in place. Our quality assurance indicates that progress has been made in both academies. The split site primary academy is in the process of moving to a single site as a result of a collaboration with Lincolnshire LA. This is an exciting opportunity to create a much better environment for learning for the young people of West Grantham. In addition to the funds that The LA are providing (£800,000) and SNMAT is adding a further £400,000 from academy reserves and SCA funding to ensure this opportunity is not missed.

At present, further expansion is anticipated in the near future as a number of primary schools are in a pipeline of conversion. Mount C of E Primary and Cotgrave C of E Primary have secure academy orders and a further three CoE primary schools are in the early stages of application and due diligence.

The Trust Board of Trustees have determined that SNMAT will focus purely on schools within the Church of England family as we move forward. This decision was taken in order to ensure that our core Christian values remain central to all that we do. In observing other Trusts with a 'mixed economy' of C of E and non-faith academies, it is clearly difficult to prevent these values from being diluted.

The COVID-19 pandemic was, predictably, a significant factor in our operational strategies. SNMAT partner academies experienced the same levels of turbulence and disruption as other educational settings. Bubble closures were common in most partner academies (although some were impacted more than others, and two primary academies were virtually unaffected). Staff absence due to positive tests were a substantial challenge for leaders but closure due to staffing shortage was exceptionally rare. The secondary testing regime was undertaken very effectively and efficiently.

The Centre Assessed Grades initiative was regarded as a joint venture between the three secondary partner academies. Moderation activities occurred in all subjects and the work started herein has been sustained.

The priorities identified in evaluative and diagnostic response to partnership work are:

- For all academies to start the new academic year positively as a result of focused and incisive leadership;
- To support academies in areas of high deprivation that are now experiencing significant challenges due to the behaviour of pupils with additional needs;
- To identify and address gaps in pupil's learning as a result of disrupted education;
- To address the continuing instability caused by the pandemic, particularly where it impacts on staffing due to increased levels of absence;

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Objectives and activities (continued)

- To implement the Early Career Framework (ECF) for Early Career Teachers (ECTs);
- To undertake reception baseline and new EYFS framework;
- To develop consistently great teaching.

The priorities for the Autumn term are to:

- Support leaders after a period of turbulence, especially in those academies where the impact of the pandemic has been more significant due to the high levels of social disadvantage;
- Ensure that well designed curriculums are being effectively implemented;
- Provide additional support for academies which are most vulnerable;
- Monitor the effectiveness of support for early career teachers (ECTs) with the new framework (ECF);
- Monitor pupil outcomes using robust assessment information.

c. Public benefit

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

Strategic report

Achievements and performance

a. Key performance indicators

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

None of the academies in this Trusts were inspected by OfSTED during 2020-2021 due to the pandemic restrictions.

Performance at the Secondary Academies

Unfortunately, due to the Coronavirus pandemic and consequent lockdown the Government made the decision that GCSE and A level examinations would not go ahead and outcomes would be based on teacher assessments. The performance data is therefore not an accurate reflection of how students may have performed.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Key Stage 4 outcomes - no national data published

	GCSE outcomes 2021			
	Progress 8	Attainment %	Higher attainment	Headlines
Magnus C of E Academy	+0.31	53.3	30.8%	Broadly in line with previous year Positive progress – concerns around disadvantaged especially boys. Pupils with SEND also a concern
The Samworth Church Academy	-0.37	58%	35%	Progress slightly below previous years (-0.25 last year). English is identified as weaker than maths
West Grantham C of E Secondary Academy	-0.62	39%	24.3%	Broadly inline with previous outcomes. Progress is slightly lower as students started higher and those who were previously high or medium attaining did not make good enough progress. Progress stronger in maths than English Some students were wrongly placed within sets. Issues addressed

Key Stage 5 outcomes - no national data available

	Value added	Average grade	% achieving A* to B	Headlines
Magnus C of E Academy	0.66	B-	60	Slight dip on previous year's outcomes.
The Samworth Church Academy	0.87	B	71.4	Disadvantaged students outperformed non – disadvantaged. Significantly stronger, moderated outcomes.

Performance at the Primary Academies

Early Years

The Trust wide average was 58% of pupils achieving a GLD. The last statistically valid data in 2019 was 71.8% nationally. The outcomes reflect the impact of Covid on the youngest children in the Trust. The impact has increased in academies with higher levels of deprivation for example Worksop Priory 43% and Kings 54%

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Key Stage 1 and Key Stage 2

There were no statutory assessments for KS1 or KS2 in 2020 - 2021 due to the coronavirus pandemic. Outcomes across the Trust were more varied than usual which reflects the different assessment procedures in place alongside the impact of Covid on the quality of education.

Across the Trust pupils who are disadvantaged, those with SEND and those who were previously high attaining were seen to achieve less well than others. Where attainment was weak in 2 of the 3 academies with the highest levels of deprivation (42-47%), Kings and St Peters Mansfield, progress was good. This was not the case at St Swithun's where staff absence had significant impact.

Key issues are being addressed through termly visits and where needed, bespoke visits are also taking place. An assessment working party will be established to review procedures across the Trust with the aim of moving to a Trust wide system so that a consistent approach will enable leaders to compare and evaluate the outcomes within each partner academy more accurately.

Attendance

The attendance outcomes were severely disrupted at a national level due to the COVID-19 pandemic. Primary attendance across SNMAT during this period was 95%
Secondary attendance across this period was 92%

Financial Performance Indicators

Financial Key Performance Indicators measure the pupil/teacher ratio, cost per pupil for different groups of staff the percentage of total costs and total income spent on staffing and the total income and expenditure per pupil. The table below shows the financial KPIs for the individual academies in the Trust for 2020-2021.

Location	School Type	Pupil /Teacher	Teach cost per pupil	Edu supp cost per pupil	Other staff costs per pupil	Staff costs / Total costs	Staff costs / GMS income	Staff costs / Total income	Total cost per pupil	Total income per pupil	GMS income ratio	Non-Teaching / Teaching	L: had Ratio
ESM	PRIMARY	23.00	2,419	1,090	549	80%	106%	76%	5,214	5,469	72%	68%	5%
FSP	PRIMARY	21.75	2,341	957	404	75%	96%	71%	4,919	5,216	74%	58%	6%
HAG	PRIMARY	18.05	2,994	1,054	793	77%	105%	78%	6,444	6,414	74%	62%	0%
HAR	PRIMARY	23.50	2,389	1,137	446	80%	93%	76%	4,965	5,232	82%	66%	5%
HNP	PRIMARY	22.82	2,325	880	469	81%	95%	69%	4,567	5,340	73%	58%	14%
ION	PRIMARY	21.75	2,208	747	683	78%	105%	78%	4,739	4,718	74%	65%	0%
MAG	SECONDARY	13.82	3,624	1,114	891	79%	103%	76%	7,222	7,441	74%	55%	3%
MSP	PRIMARY	18.15	2,697	1,349	624	78%	102%	73%	6,391	6,835	71%	73%	6%
PRI	PRIMARY	20.00	2,544	1,819	436	83%	125%	84%	5,900	5,795	67%	89%	-2%
SAM	SECONDARY	13.92	3,480	963	734	80%	96%	79%	6,619	6,700	82%	49%	1%
SEE	PRIMARY	17.50	3,275	742	496	74%	96%	74%	6,154	6,123	77%	58%	0%
SSM	PRIMARY	23.44	2,479	723	669	78%	104%	82%	5,133	4,859	79%	56%	-6%
SWI	PRIMARY	25.29	3,444	915	760	78%	119%	74%	6,801	7,174	62%	49%	5%
WGP	PRIMARY	21.43	1,710	813	527	80%	97%	57%	3,903	5,537	58%	78%	30%
WGS	SECONDARY	14.21	2,458	870	641	77%	81%	49%	5,192	8,250	61%	61%	37%
WNG	PRIMARY	15.73	2,609	1,333	505	78%	101%	73%	5,829	6,211	73%	70%	6%

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Achievements and performance (continued)

Value for money is demonstrated if the level of expenditure per pupil has produced test results, which are on target or have exceeded the target. It is usually accepted that staff costs should be about 75-80% of the total expenditure for a school. However, the figures above do not include the costs of staff who are not paid through SNMAT. In some cases, Executive Head teachers and Sencos work partially in SNMAT academies and partially in other schools by arrangement. Those schools are invoiced for their time at cost. The staffing profile, especially for small to medium size primary schools, also impacts on the overall staffing costs. The figures for West Grantham Primary and Secondary academies are not included as these are for a period of 8 months as the academies only joined the SNMAT on 1 January 2021.

b. Going concern

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

c. Promoting the success of the company (Section 172 Statement)

The Board of Directors gives due consideration to the implications of Section 172 reporting during the discussions at its meetings. Any strategic discussions take into consideration the consequences of long term decision making, the interests of its employees, the impact of operations on its stakeholders and the environment, the reputation of the Trust and the need to act fairly. These are included in the assessment of risks in the Trust risk register. Examples of this in 2020-2021 are:

- Ongoing consultation with Newark and Sherwood district council regarding the synthetic pitch at Magnus.
- Continuing dialogue with the local authority regarding PAN, admissions and net capacity queries in relation to Haggonfields Primary School.
- Continuing consultation with academies regarding collaborative ways for on-line learning and remote teaching during the pandemic.
- Consultation with trade unions regarding staffing restructures.
- Continuing close working relationships with the Diocese in respect of the academisation strategy.
- Engagement with schools looking to join the Trust.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Financial review

Financial Effect of Significant Events on the Financial Performance and Financial Position of the Trust

The Covid 19 pandemic continued to have a significant impact on the financial position of the Trust in 2020-2021, particularly other income and income from trading activities. Income from lettings, educational visits and staff consultancy was greatly reduced due to the restrictions on mobility during and even following the lifting of lockdowns. Take up from paid meals for catering has also been significantly reduced due to a period of lockdown and then higher than usual levels of pupil absence.

For those academies with nursery provision there has been a lower than usual take up of places which has reduced grant income from the Local Authority. This had a subsequent impact on admissions to reception classes in September 2021.

The West Grantham Primary and Secondary academies transferred to the Trust from the West Grantham Academies Trust in January 2021 which included the transfer of the former Trusts revenue reserves totalling £1,020,101, significantly increasing the reserves of this Trust. The funds on conversion for Hucknall National C of E Primary Academy of £166,587 also increased the reserves.

The Trust is now eligible for School Condition Allocation Funding as the responsible body for the academies now that there are over 5 academies and 3000 pupils in the Trust. The allocation between April and August 2021 was over £800,000, which has increased the fixed asset reserves significantly.

Key Factors that are Likely to Affect the Trust's Financial Performance or Position Going Forward

Pupil numbers at some of the academies, such as St Peter's Mansfield, are reducing. This situation is being addressed by reducing the permitted admission number (PAN) and restructuring staffing according to need. The pupil numbers at both the West Grantham Academies are low and the Trust was aware of the risks around the pupil numbers when it agreed to become the sponsor for these academies. At the West Grantham Primary Academy the possibilities of reducing the PAN and moving all the pupils to a single site are being consulted on. At the West Grantham Secondary Academy it is believed that the improvements that are being made since the academy joined the Trust will result in an improved reputation and hopefully make it a school of choice in the area.

The financial position of the smallest academies in the Trust is always particularly sensitive to any changes in pupil numbers as each pupil represents a greater percentage of the income for that academy than in larger academies. The Trust is committed to supporting small schools in the Diocese as will therefore be affected financially going forward if more small schools convert and join the Trust.

Overall Financial Position of the Academy Trust at the Reporting Date

The Trust had a revenue surplus of £1,227,949 at 31 August 2021. This represents 4% of the total income of the Trust, £30,217,028 which is just below the recommended upper threshold of 5%. The in-year surplus was 7% of the total revenue income. This is partly due to the transfer of the West Grantham Academies and their reserves will be required to support the school improvement required and the variance between lagged funding and actual pupil numbers and the pupil numbers hopefully start to increase. For the primary academy some of the reserves will be required to support the movement to a single site.

Five of the academies ended the year with an in-year deficit but these deficits are all covered by their revenue reserves so that there were no cumulative deficits at the end of the year. For one of these academies the in-year deficit of 6% was largely due to the costs of a staffing restructure and for another the in-year deficit of 1% was due to a planned use of revenue reserves on improvements to the teaching and learning environment.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategic report (continued)

Another of the academies had budgeted for income for staff consultancy work which then was significantly lower than expected due to the pandemic leaving it with an in-year deficit of 2%. Two of the smallest academies ended the year with an in-year deficit of 0.5%.

However, these in-year deficits are all covered by the academy's revenue reserves so that there were no cumulative deficits at the end of the year.

Trust Income in 2020-21 was 90% General Annual Grant (GAG), other DfE and LA grants and 10% Other income and income from trading activities. This included the transfer of surpluses on conversion/transfer of the new partner academies. Income received was 5% more than was budgeted for largely due to the receipt of sponsor grants for the West Grantham Academies and additional SEN, behaviour and FSM voucher funding from the LA which had not been included in the original budget.

Staffing expenditure was 2% over budget, largely due to the increased agency staff costs incurred to cover increased absences due to the pandemic. Other expenditure was also 2% over budget largely due to increased expenditure on ICT to support distance learning as a result of the pandemic and direct revenue financing for capital works funded from revenue reserves that had not been planned when the original budget was set.

The revenue reserves at the end of the year were 68% higher than budgeted largely due to the funds transferred on conversion and transfer from another Trust.

a. Reserves policy

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

The Trustees keep the level of central reserves under review and during 2020-2021 it was agreed that from 1 September 2021 the recharge would be increased for supporting academies from 4% to 4.5%, for supported academies from 5% to 5.25% and for sponsored academies from 5% to 5.5%. The Trust aims to retain centrally held reserves to cover 3 months of central operating expenses plus a £50,000 allowance to enable the central MAT to assist any academy in difficulties and another £50,000 allowance to support MAT growth. This policy regarding central reserves continued in place during 2020-2021. The reserves policy also includes having a consolidated MAT revenue reserve of 5% of its total restricted and unrestricted income. The total revenue income (excluding transfers on conversion from local authority and transfer in of existing Academy Trust for the consolidated MAT was £30,217,028, 5% of which would be £1,510,851.

The 2020-2021 in year revenue surplus of £2,158,383 increased the revenue reserves from £1,764,329 to £3,922,712. The £3,922,712 of restricted general funds (excluding pension fund) and unrestricted funds is 13% of the Trust's total income in 2020-2021 which exceed the Trust's reserves policy. This is largely due to the additional funds transferring for the West Grantham Academies Trust in January 2021. The reserves will be used to cover:

- The increased investment to raise standard in sponsored academies;
- The additional costs for moving all the pupils at the West Grantham Primary Academy onto a single site;
- Higher costs due to lagged funding for increasing pupil numbers at some academies;
- Reduced income due to dip in pupil numbers in some of the academies
- The cost of any redundancies that may arise from any future restructure;
- Unsustainable staff costs prior to anticipated natural wastage;
- Growing central MAT staffing to build capacity as the SNMAT grows.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

A surplus or deficit position of the pension scheme generally results in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. The pension deficit at 31 August 2021 was £31,095,000.

The total funds balance at 31 August 2021 is £15,222,443 of which £42,394,731 is the restricted fixed asset fund not available for general purposes.

b. Investment policy

Following discussion with the bank's Business Relationship Manager regarding opportunities for obtaining a higher level of interest on surplus balances in 2020-2021 the Board agreed towards the end of the year that the Trust would open a 32 day account and a 95 day account with the bank in order to maximise any possible interest from the increased levels surplus funds with as little risk as possible. The MAT does not hold any longer-term investments.

c. Principal risks and uncertainties

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

The MAT's exposure to financial risks is minimal because the financial instruments dealt with are largely bank balances, cash and trade creditors, with limited trade and other debtors. There is a deficit within the Local Government Pension Scheme, as described in note 28 to the financial statements but this is subject to periodic actuarial review and regulatory monitoring by Trustees and is not expected to crystallise in the accounts.

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

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

The finances of the Trust are also highly sensitive to pupil numbers. At Magnus C of E Academy pupil numbers have now recovered but the pupil numbers at West Grantham C of E Secondary Academy are particularly low. Pupil numbers at most of the primary academies are stable. However, the smallest of the primary schools in the Trust, Burntstump Seely, St Swithun's, St Mary's Edwinstowe and Haggonfields are highly sensitive to any decrease in pupil numbers.

However, the greatest uncertainty in 2020-2021 has been created by the Covid 19 pandemic which will continue to change the ways the academies work in 2021-2022. The Trust is also aware that there continues to be uncertainty surrounding the impact of Brexit that could potentially impact operations. One aspect of this is the imminent inflation in energy costs which are likely to have a significant impact on budgets.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The academies in the Trust usually carry out very low levels of fundraising, which include activities for pupils to raise money for other charities and school fairs/fetes or other similar activities. Commercial participators/professional fundraisers are not involved with these activities. Fundraising activities conform to recognised standards, no one is put under undue pressure to donate and, as far as the Trust is aware, there have been no complaints regarding any of the fundraising activities carried out. Very few fundraising activities took place during 2020-2021 due to the pandemic.

Streamlined energy and carbon reporting

UK Greenhouse Gas Emissions and Energy Use Data for the Period 1 September 2020 - 31 August 2021	
Energy Consumption Used to Calculate Emissions (KWh)	4,517,453.7
Energy Consumption Breakdown (KWh)	
Gas	3,143,865.6
Electricity	2,158,078
Transport fuel	23,797.1
Scope 1 emissions in metric tonnes CO₂e	
Gas Consumption	578.06257
Owned Transport - minibuses	3.6101464
Total Scope 1	581.67271
Scope 2 emissions in metric tonnes CO₂e	
Purchased electricity	503.1343
Scope 3 emissions in metric tonnes CO₂e	
Business travel in employee owned vehicles	3.3460706
Total Gross emissions in metric tonnes CO ₂ e	1,088.1531
Intensity ratio Tonnes CO ₂ e per pupil	3.6732907

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environment Reporting Guidelines. We have also used the GHG Reporting Protocol; - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

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

Plans for future periods

Current changes in the educational landscape, which are driven by government policy, and the advent of the coronavirus make predicting the future difficult and future plans a challenge. However, the core business of improving teaching and learning will remain a constant and financial and institutional planning will remain firmly in focus for the coming year. There are plans to continue to grow the Multi Academy Trust in 2021-2022 with at least 2 small schools expected to join the Trust. This will take the total number of academies in the Trust to 18. The aim is for all academies in the MAT to be well led and for all academies to become organisations that can drive their own continual improvement.

Funds held as custodian on behalf of others

The Trust holds the Post 16 Bursary grants from the DfE on behalf of eligible pupils at the two secondary academies with Post 16 provision in the Trust. These are segregated in the financial management system under a specific ledger code and cost centre. The Trust also holds a funding for the CCF at Magnus on behalf of the CCF. The total funds held as a custodian trustee on behalf of others totalled £15,013 in 2020-2021.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Auditor

Insofar as the trustees are aware:

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

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on Dec 9, 2021 and signed on its behalf by:


Phil Blinston (Dec 9, 2021 17:02 GMT)

.....
Phillip Blinston
Chair of Trustees

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Philip Blinston	6	6
Hilary Craik	6	6
Ian Griffiths	5	6
John Hunter	6	6
Chris Moodie	6	6
Angela Pae	6	6
Roger Periam	5	6
Nigel Frith (appointed 4 December 2020)	3	5

The Board has appointed the new Diocesan Director for Education to become a Trustee to replace the previous Diocesan Director of Education who left at the end of 2019-2020. The small number of Trustees can present challenges in terms of the increasing level of commitment for all the Directors as the Trust increases in size.

The Trust continued to pursue its 're-thinking governance' project, designed to evaluate and structure governance in a simple and effective way across the MAT. This has seen strategic and operational changes to governance at both academy and board level. Part of 'rethinking governance' involves the completion of termly monitoring report forms which summarise findings and next steps on policy, safeguarding, sickness absence management, GDPR, Education Visits and Financial Compliance which ensures crucial information is fed back but enables the meeting on the major items on the agenda. This has been received by the Board as a positive development. Management accounts reports are uploaded to governor hub at the end of each month for all Governors to be able to access and are reviewed in detail by the Finance Task Group. Positive feedback is usually given regarding the quality of reports presented to the Board.

Work on establishing effective governance arrangements at local board level continued in line with the MAT's scheme of delegation at full Board level in 2020-2021. The structure for termly agendas is in place, key link governor roles are defined along with protocols for governor visits and a framework for Governor Accountability panels is established.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The ESFA conducted a desktop review of finance and governance in October 2020 in order to gain a fuller understanding of the Trust's financial and governance arrangements. The review identified the following mandatory requirements which were promptly addressed:

- The terms of reference for the audit committee needed to be updated to state that employees cannot be members of and that the chair of the trust cannot be the chair of the audit committee;
- The dates any pecuniary interests of Trustees commenced needed be added to the register of business interests;
- The pay policy and terms of reference for the Remuneration Committee needed to be updated to ensure a robust evidence based process is followed with regard to Executive pay.

In response to other recommendations from the review the Trust has developed a central Trust Business Continuity plan in addition to the individual academy business continuity plans and has updated its Financial Regulations Manual to make specific references to what is stated in the Academies Finance Handbook.

In 2020-2021 the full Board returned to meeting 6 times a year, with 2 of these meetings focusing specifically on finance. This gives all trustees an opportunity to be more informed about finance. An Audit Committee and separate Finance Task Group have replaced the former finance committee. The Audit Committee has a tighter remit review the effectiveness of financial internal controls, external audit, risk management, including reviewing the risk register and business continuity plan and estates management and proposed capital projects.

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

Trustee	Meetings attended	Out of a possible
Angela Pae	3	3
Roger Periam	2	3
Nigel Frith (appointed 4 December 2020)	1	2

The Business Director and CEO are in attendance at these meetings.

The Finance Task Group quality assures the management accounts when the focus of the Board is on matters other than finance. It met 4 times during the year and attendance at the meetings was as follows:

Trustee	Meetings attended	Out of a possible
Ian Griffiths	4	4
John Hunter	4	4
Sarah Perry	4	4

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Ensuring that school improvement solutions are appropriate and fit for purpose and, where possible brokered on a reciprocal school to school basis that reduces the cost and provides more effective solutions for the academies as for example with the support being provided to the West Grantham academies by senior and middle leaders from other academies within the Trust;
- Reviewing the areas highlighted for investigation on the DfE View my Financial Insights tool to investigate ways in which the academies may be able to achieve better value for money;
- Ensuring that some supplies and services are procured centrally giving economies of scale in terms of costs. In 2020/2021 this included several academies joining the MAT photocopying contract as their operating leases came to an end, some of the academies moving onto the 3CX telephone contract arranged by the Trust and the procurement of a discount from a supply agency;

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Diocese of Southwell and Nottingham Multi Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

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

The Board of Trustees has appointed Forrester Boyd as it's internal auditor now that it is now longer permissible for additional checks to be carried out by the external auditor as was previously the case. Forrester Boyd's role includes giving advice on financial and other matters and performing a range of checks on the academy's financial and other systems. In particular the checks carried out in the current period included a focused programme of internal control testing, based on the "Responsible Officer" testing programmes from the Academies Financial Handbook including testing of purchasing procedures and high level governance controls.

The internal auditor reports to the Board of Trustees through its audit committee 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 Audit committee has agreed a 3 year rolling programme for the internal auditors covering both financial and non-financial matters covering a group of partner academies in the Trust each year. In 2020-2021 reviews took place at Samworth Church Academy, St Mary Magdalene C of E Primary School, The King's C of E Primary Academy, Worksop Priory C of E Primary Academy and Harworth C of E Academy. The programme of work was delivered as planned although the reviews were carried out remotely at some of the academies due to the restrictions of the pandemic.

Across the 5 academies there were a several orders raised on the financial management system retrospectively and it was recommended that that orders are raised prior to the goods being received and invoice to ensure that no commitment is made for inappropriate expenditure.

There were no written procedures at the 5 academies reviewed and it was recommended that the academies put in place a written procedure for the controls of non-government income. It was not always possible to reconcile weekly takings sheets to Scholarpack reports at some of the primary academies. Where this was the case it was recommended that a reconciliation is prepared between the weekly takings sheets and Scholarpack or that a cashless system be implemented, which would also reduce the workload.

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

At all the academies it was recommended that the potential risks of another pandemic are reviewed and assessed during the next update of the risk register which will help to show that the academy has considered the potential risks of another pandemic. It was recommended that a formal plan is developed in the event of another pandemic occurring which could involve adapting current Covid 19 policies and bringing them into the business continuity plan to cover any future infectious diseases to help ensure that the academy is prepared for any future outbreak of new viruses.

These matters have been addressed.

Review of effectiveness

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

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

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

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


Phill Blinston [Dec 9, 2021 17:02 GMT]

.....
Phillip Blinston
Chair of Trustees

Date: Dec 9, 2021


C Moodie [Dec 7, 2021 15:39 GMT]

.....
Chris Moodie
Accounting Officer

Date: Dec 7, 2021

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

C Moodie

C Moodie (Dec 7, 2021 15:39 GMT)

Chris Moodie
Accounting Officer

Date: Dec 7, 2021

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

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

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

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

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

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


Phil Blinston (Dec 9, 2021 17:02 GMT)

.....
Phillip Blinston
Chair of Trustees

Date: Dec 9, 2021

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Diocese of Southwell and Nottingham Multi-Academy Trust (the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees'

As explained more fully in the Trustees' Responsibilities Statement set out on page 26, the Trustees' 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' is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Auditor's responsibilities for the audit of the financial statements

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

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. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- discussing with the Trustees' and management their policies and procedures regarding compliance with laws and regulations;
- communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- making enquiries of the Trustees' and management on whether they had knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risks related to fraud;
- discussing amongst the engagement team the risks of fraud; and
- addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of the audit report

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



David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: 13/12/2024

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 6 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diocese of Southwell and Nottingham Multi-Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The Accounting Officer is responsible, under the requirements of Diocese of Southwell and Nottingham Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2014 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

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

Mazars LLP

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

13/12/2021

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		166,587	(1,775,000)	(356,096)	(1,964,509)	639,707
Transfer from existing academies		240,615	(4,275,514)	2,381,358	(1,653,541)	(1,547)
Other donations and capital grants		177,489	-	1,128,425	1,305,914	1,109,521
Other trading activities	5	763,924	66,554	-	830,478	847,553
Investments	6	672	-	-	672	1,351
Funding for the Academy Trust's educational operations	4	-	29,208,389	-	29,208,389	21,800,295
Total income		1,349,287	23,224,429	3,153,687	27,727,403	24,396,880
Expenditure on:						
Charitable activities	8	139,768	31,233,311	1,115,473	32,488,552	25,080,857
Other expenditure	7	-	-	179,694	179,694	-
Total expenditure		139,768	31,233,311	1,295,167	32,668,246	25,080,857
Net income/ (expenditure)		1,209,519	(8,008,882)	1,858,520	(4,940,843)	(683,977)

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Net income/ (expenditure) brought forward		1,209,519	(8,008,882)	1,858,520	(4,940,843)	(683,977)
Transfers between funds	19	(1,162,448)	906,194	256,254	-	-
Net movement in funds before other recognised losses		<u>47,071</u>	<u>(7,102,688)</u>	<u>2,114,774</u>	<u>(4,940,843)</u>	<u>(683,977)</u>
Other recognised losses:						
Actuarial losses on defined benefit pension schemes	28	-	(2,352,000)	-	(2,352,000)	(3,818,000)
Net movement in funds		<u>47,071</u>	<u>(9,454,688)</u>	<u>2,114,774</u>	<u>(7,292,843)</u>	<u>(4,501,977)</u>
Reconciliation of funds:						
Total funds brought forward		387,020	(18,151,691)	40,279,957	22,515,286	27,017,263
Net movement in funds		47,071	(9,454,688)	2,114,774	(7,292,843)	(4,501,977)
Total funds carried forward		<u>434,091</u>	<u>(27,606,379)</u>	<u>42,394,731</u>	<u>15,222,443</u>	<u>22,515,286</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	41,281,055	39,680,536
		<u>41,281,055</u>	<u>39,680,536</u>
Current assets			
Stocks	15	40,791	26,537
Debtors	16	833,142	1,077,099
Investments		2,000,137	-
Cash at bank and in hand	24	4,895,594	3,199,468
		<u>7,769,664</u>	<u>4,303,104</u>
Liabilities			
Creditors: Amounts falling due within one year	17	(2,642,448)	(1,939,354)
		<u>5,127,216</u>	<u>2,363,750</u>
Net current assets			
Creditors: Amounts falling due after more than one year	18	(90,828)	-
		<u>46,317,443</u>	<u>42,044,286</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	28	(31,095,000)	(19,529,000)
		<u>15,222,443</u>	<u>22,515,286</u>
Total net assets			
		<u>15,222,443</u>	<u>22,515,286</u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	42,394,731	40,279,957
Restricted income funds	19	3,488,621	1,377,309
		<u>45,883,352</u>	<u>41,657,266</u>
Restricted funds excluding pension liability	19	45,883,352	41,657,266
Pension reserve	19	(31,095,000)	(19,529,000)
		<u>14,788,352</u>	<u>22,128,266</u>
Total restricted funds	19		
		14,788,352	22,128,266
Unrestricted income funds	19	434,091	387,020
		<u>15,222,443</u>	<u>22,515,286</u>
Total funds			
		<u>15,222,443</u>	<u>22,515,286</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The financial statements on pages 33 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Phil Blinston (Dec 9, 2021 17:02 GMT)

Phillip Blinston
Chair of Trustees

Date: Dec 9, 2021

The notes on pages 38 to 74 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	2,105,279	398,502
Cash flows from investing activities	23	(520,165)	548,563
Cash flows from financing activities	22	111,012	-
Change in cash and cash equivalents in the year		1,696,126	947,065
Cash and cash equivalents at the beginning of the year		3,199,468	2,252,403
Cash and cash equivalents at the end of the year	24, 25	<u>4,895,594</u>	<u>3,199,468</u>

The notes on pages 38 to 74 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income (continued)

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

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

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

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

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

Land and buildings held by the Diocesan Trust & Board of Finance Limited on trust and made available to the academies are not included on the balance sheet. The Multi Academy Trust does not own any of these premises. The land and buildings are made available to the schools by a Church Supplemental Agreement. The site Trustees can withdraw the land and buildings at any time on two years notice. The Multi Academy Trust cannot sell the land and buildings or mortgage it as security for any borrowing. The economic benefit to the Multi Academy Trust is that it does have the use of the site for £NIL consideration, but only for the use as a church school. The risks and rewards of ownership have not been passed to the Multi Academy Trust and therefore no value has been attributed to the land and buildings at 31 August 2021.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.6 Liabilities

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

1.7 Provisions

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

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

1.8 Leased assets

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

1.9 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.11 Pensions

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

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

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

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

The Academy Trust contributes to personal pension plans.

1.12 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 31.

1.13 Fund accounting

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

Critical areas of judgement:

At 12 of the trust's academies, the charitable company occupies the buildings under a Church Supplemental Agreement which includes a two year break clause, thus judgement has been applied in determining that these buildings should not be recognised on the balance sheet.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Transfer from local authority on conversion	166,587	(1,775,000)	(356,096)	(1,964,509)	639,707
Transfer from existing academies	240,615	(4,275,514)	2,381,358	(1,653,541)	(1,547)
Donated fixed assets	-	-	152,720	152,720	-
Capital grants	-	-	975,705	975,705	987,975
Other donations	177,489	-	-	177,489	121,546
Total 2021	584,691	(6,050,514)	3,153,687	(2,312,136)	1,747,681
Total 2020	137,520	(699,000)	2,309,161	1,747,681	

Within transfers from local authority on conversion there is a decrease to income of £356,096 in relation to the correction of the estimated 2020 land and building valuations on conversion upon receipt of the ESFA property valuations during the year.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant (GAG)	22,813,147	22,813,147	17,373,296
Other DfE/ESFA grants			
Pupil Premium	1,587,335	1,587,335	1,108,613
Teachers' Pay/Pensions Grant	1,052,980	1,052,980	873,037
UFSM	321,449	321,449	269,007
PE and Sports Grant	163,195	163,195	185,442
Rates Reclaim	129,886	129,886	107,472
Trust Capacity Grant	150,000	150,000	-
Others	337,279	337,279	331,585
	-	26,555,271	20,248,452
Other Government grants			
Local authority grants	1,919,303	1,919,303	1,430,798
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	309,048	309,048	-
Other DfE/ESFA COVID-19 funding	93,380	93,380	50,376
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme grant	33,912	33,912	70,669
Other COVID-19 funding	297,475	297,475	-
	2,653,118	2,653,118	1,551,843
Total 2021	29,208,389	29,208,389	21,800,295
Total 2020	21,800,295	21,800,295	

The Academy Trust received £358,420 of funding for catch up premium and costs incurred in respect of this funding totalled £309,048 with the remaining £48,822 included in deferred income and spent in 2021/2022.

The Academy Trust furloughed some of its music and catering staff under the government's CJRS.

The funding received of £33,912 relates to staff costs in respect of 20 staff which are included within note 10 below as appropriate.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4. Funding for the Academy Trust's educational operations (continued)

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Hire of facilities	48,797	-	48,797	57,758
Income from other charities activities	602,969	66,554	669,523	682,983
Income from ancillary trading activities	112,158	-	112,158	106,812
Total 2021	763,924	66,554	830,478	847,553
Total 2020	658,563	188,990	847,553	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income	672	672	1,351
Total 2020	1,351	1,351	

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Academy Trust's educational operations:					
Direct costs	19,892,071	-	1,762,690	21,654,761	16,947,271
Allocated support costs	6,045,152	1,330,330	3,458,309	10,833,791	8,133,586
Improvements to diocesan property occupied by the Academy Trust	-	179,694	-	179,694	-
Total 2021	25,937,223	1,510,024	5,220,999	32,668,246	25,080,857
Total 2020	19,722,324	1,375,848	3,982,685	25,080,857	

8. Charitable activities

	2021 £	2020 £
Direct costs - educational operations	21,654,761	16,947,271
Support costs - educational operations	10,833,791	8,133,586
Total	32,488,552	25,080,857

	2021 £	2020 £
Analysis of support costs		
Support staff costs	6,045,152	4,417,884
Depreciation	1,107,836	954,040
Technology costs	286,301	192,602
Premises costs	1,510,024	1,375,848
Legal costs - conversion	43,049	-
Legal costs - other	12,248	-
Other support costs	1,554,611	920,039
Governance costs	274,570	273,173
Total	10,833,791	8,133,586

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. Net expenditure

Net expenditure for the year includes:

	2021	2020
	£	£
Operating lease rentals	73,210	81,931
Depreciation of tangible fixed assets	1,107,836	954,040
Fees paid to auditor for:		
- audit	20,430	18,250
- other services	6,220	9,350
	<u>6,220</u>	<u>9,350</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021	2020
	£	£
Wages and salaries	17,602,413	13,691,979
Social security costs	1,606,117	1,261,426
Pension costs	6,244,529	4,484,788
	<u>25,453,059</u>	<u>19,438,193</u>
Agency staff costs	405,250	266,644
Staff restructuring costs	78,914	17,487
	<u>25,937,223</u>	<u>19,722,324</u>

Staff restructuring costs comprise:

	2021	2020
	£	£
Redundancy payments	57,657	-
Severance payments	21,257	17,487
	<u>21,257</u>	<u>17,487</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £6,892 (2020 - £11,500). Individually, the payments were £2,144 & £4,748.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. Staff (continued)

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	259	214
Administration and support	486	360
Management	60	43
	<u>805</u>	<u>617</u>

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	14	11
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	2	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,859,654 (2020 - £1,467,284).

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. Central services

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

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

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

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

The actual amounts charged during the year were as follows:

	2021	2020
	£	£
Magnus Church of England Academy	155,137	140,939
Harworth Church of England Academy	32,345	30,845
St. Mary Magdalene Church of England Academy	31,802	31,087
St. John's Church of England Academy	60,000	57,507
St Peter's Crosskeys Church of England Academy	31,538	29,464
Worksop Priory Church of England Academy	36,833	35,035
Burntstump Seely Church of England Academy	21,531	22,117
The King's Church of England Primary Academy	70,155	66,696
St Peters Church of England Primary Academy Mansfield	54,789	50,775
St Swithun's Church of England Primary Academy	24,196	24,070
The Samworth Church Academy	225,000	215,022
St Mary's Church of England Primary School Edwinstowe	17,816	11,226
Haggonfields Primary School	22,815	12,966
Hucknall National Church of England Primary School	56,149	-
West Grantham Church of England Primary Academy	50,836	-
West Grantham Church of England Secondary Academy	80,682	-
Total	971,624	727,749

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

12. Related Party Transactions - Trustees' remuneration and expenses

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

		2021	2020
		£'000	£'000
Chris Moodie (Accounting Officer)	Remuneration	110 - 115	105 - 110
	Pension contributions paid	25 - 30	25 - 30

During the period ended 31 August 2021, travel and subsistence expenses totalling £2,772 were reimbursed or paid directly to 1 Trustee (2020 - £1,560 to 1 Trustee).

13. Trustees' and Officers' insurance

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Tangible fixed assets

	Freehold property £	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost							
At 1 September 2020	-	41,322,356	1,005,060	682,125	68,725	-	43,078,266
Additions	-	171,352	103,856	320,181	14,995	72,709	683,093
Acquisitions	2,053,067	55,000	262,902	10,389	-	-	2,381,358
Transfers between classes	-	8,291	(8,291)	-	-	-	-
Adjustment to opening cost*	-	(356,096)	-	-	-	-	(356,096)
At 31 August 2021	2,053,067	41,200,903	1,363,527	1,012,695	83,720	72,709	45,786,621
Depreciation							
At 1 September 2020	-	2,315,960	508,585	534,934	38,251	-	3,397,730
Charge for the year	-	777,587	181,227	139,520	9,502	-	1,107,836
Transfers between classes	-	8,698	(8,698)	-	-	-	-
At 31 August 2021	-	3,102,245	681,114	674,454	47,753	-	4,505,566
Net book value							
At 31 August 2021	2,053,067	38,098,658	682,413	338,241	35,967	72,709	41,281,055
At 31 August 2020	-	39,006,396	496,475	147,191	30,474	-	39,680,536

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

14. Tangible fixed assets (continued)

Included within land and buildings is leasehold land at valuation of £5,771,799 (2020 - £5,889,497).

*This is in relation to the correction of the estimated 2020 land and building valuations on conversion upon receipt of the ESFA property valuations during the year.

15. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	40,791	26,537

16. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	89,749	263,400
VAT recoverable	108,102	59,984
Other debtors	-	513,831
Prepayments and accrued income	635,291	239,884
	<u>833,142</u>	<u>1,077,099</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Other loans	20,184	-
Trade creditors	605,043	404,596
Other taxation and social security	413,422	302,913
Other creditors	464,073	519,730
Accruals and deferred income	1,139,726	712,115
	<u>2,642,448</u>	<u>1,939,354</u>
	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	453,826	573,131
Resources deferred during the year	930,578	453,826
Amounts released from previous years	(453,826)	(573,131)
Deferred income at 31 August 2021	<u>930,578</u>	<u>453,826</u>

At the balance sheet date the Academy Trust was holding funds received in advance as follows:

- £24,248 (2020 - £19,407) Conversion Grants
- £80,685 (2020 - £63,978) Rates Relief
- £135,229 (2020 - £147,277) SEN Funding
- £190,889 (2020 - £167,288) Universal Infant School Meals
- £10,212 (2020 - £31,647) Academy Visits
- £56,339 (2020 - £24,229) Other
- £51,462 (2020 - £Nil) Other DfE Grants
- £120,000 (2020 - £Nil) Environmental Improvement Grants
- £136,755 (2020 - £Nil) School Improvement Grants
- £69,260 (2020 - £Nil) Primary Sports Grant
- £55,499 (2020 - £Nil) Other Income

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

	2021 £	2020 £
Other loans	90,828	-

Included within other are four loans, which are as follows:

A loan of £32k from SALIX which is provided on the following terms of bi-annual repayments of £2k, over a period of 8 years which expires on 1 March 2026, with an annual interest rate of 0%. There is £4k (2020 - £Nil) included within creditors: amounts falling due within one year and £16k (2020 - £Nil) included within creditors: amounts falling due after more than one year.

A loan of £48k from SALIX which is provided on the following terms of bi-annual repayments of £3k, over a period of 8 years which expires on 1 March 2026, with an annual interest rate of 0%. There is £6k (2020 - £Nil) included within creditors: amounts falling due within one year and £24k (2020 - £Nil) included within creditors: amounts falling due after more than one year.

A loan of £20k from SALIX which is provided on the following terms of bi-annual repayments of £1k, over a period of 8 years which expires on 1 March 2026, with an annual interest rate of 0%. There is £2k (2020 - £Nil) included within creditors: amounts falling due within one year and £12k (2020 - £Nil) included within creditors: amounts falling due after more than one year.

A loan of £61k from SALIX which is provided on the following terms of bi-annual repayments of £8k, over a period of 8 years which expires on 1 March 2026, with an annual interest rate of 0%. There is £8k (2020 - £Nil) included within creditors: amounts falling due within one year and £39k (2020 - £Nil) included within creditors: amounts falling due after more than one year.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	387,020	1,349,287	(139,768)	(1,162,448)	-	434,091
Restricted general funds						
General Annual Grant (GAG)	1,377,309	22,813,147	(21,608,029)	906,194	-	3,488,621
Pupil Premium	-	1,587,335	(1,587,335)	-	-	-
Teachers' Pension Grant	-	778,706	(778,706)	-	-	-
UIFSM	-	321,449	(321,449)	-	-	-
PE and Sports Grant	-	163,195	(163,195)	-	-	-
Rates Reclaim	-	129,886	(129,886)	-	-	-
Trust Capacity Grant	-	150,000	(150,000)	-	-	-
Catch Up Premium	-	309,048	(309,048)	-	-	-
Other DfE/ESFA Covid-19 Funding	-	93,380	(93,380)	-	-	-
Coronavirus Job Retention Scheme Grant	-	33,912	(33,912)	-	-	-
Other Coronavirus Funding	-	297,475	(297,475)	-	-	-
Other Grants	-	3,376,896	(3,376,896)	-	-	-
Pension reserve	(19,529,000)	(6,830,000)	(2,384,000)	-	(2,352,000)	(31,095,000)
	<u>(18,151,691)</u>	<u>23,224,429</u>	<u>(31,233,311)</u>	<u>906,194</u>	<u>(2,352,000)</u>	<u>(27,606,379)</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Devolved Formula Capital	607,282	132,970	(19,736)	4,413	-	724,929
Donations	37,753,831	2,025,262	(1,062,844)	-	-	38,716,249
Other DfE Capital Grant	1,517,484	995,455	(201,886)	-	-	2,311,053
Capital expenditure from GAG	401,360	-	(10,701)	251,841	-	642,500
	<u>40,279,957</u>	<u>3,153,687</u>	<u>(1,295,167)</u>	<u>256,254</u>	<u>-</u>	<u>42,394,731</u>
Total Restricted funds	<u>22,128,266</u>	<u>26,378,116</u>	<u>(32,528,478)</u>	<u>1,162,448</u>	<u>(2,352,000)</u>	<u>14,788,352</u>
Total funds	<u>22,515,286</u>	<u>27,727,403</u>	<u>(32,668,246)</u>	<u>-</u>	<u>(2,352,000)</u>	<u>15,222,443</u>

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

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

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General funds	1,676,649	797,434	(224,856)	(1,862,207)	-	387,020
Restricted general funds						
General Annual Grant (GAG)	(274,806)	17,373,296	(17,477,457)	1,756,276	-	1,377,309
Pupil Premium	-	1,108,613	(1,108,613)	-	-	-
Teachers' Pension Grant	-	873,037	(873,037)	-	-	-
UIFSM	-	269,007	(269,007)	-	-	-
PE and Sports Grant	-	185,442	(185,442)	-	-	-
Rates Reclaim	-	107,472	(107,472)	-	-	-
Other DfE/ESFA Covid-19 Funding	-	50,376	(50,376)	-	-	-
Coronavirus Job Retention Scheme Grant	-	70,669	(70,669)	-	-	-
Other Grants	-	1,951,373	(1,951,373)	-	-	-
Pension reserve	(13,403,000)	(699,000)	(1,609,000)	-	(3,818,000)	(19,529,000)
	<u>(13,677,806)</u>	<u>21,290,285</u>	<u>(23,702,446)</u>	<u>1,756,276</u>	<u>(3,818,000)</u>	<u>(18,151,691)</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Restricted fixed asset funds						
Devolved Formula Capital	514,257	107,663	(14,638)	-	-	607,282
Donations	37,342,733	1,321,186	(910,088)	-	-	37,753,831
Other DfE Capital Grant	858,879	880,312	(221,707)	-	-	1,517,484
Capital expenditure from GAG	302,551	-	(7,122)	105,931	-	401,360
	<u>39,018,420</u>	<u>2,309,161</u>	<u>(1,153,555)</u>	<u>105,931</u>	<u>-</u>	<u>40,279,957</u>
Total Restricted funds	<u>25,340,614</u>	<u>23,599,446</u>	<u>(24,856,001)</u>	<u>1,862,207</u>	<u>(3,818,000)</u>	<u>22,128,266</u>
Total funds	<u>27,017,263</u>	<u>24,396,880</u>	<u>(25,080,857)</u>	<u>-</u>	<u>(3,818,000)</u>	<u>22,515,286</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Magnus C of E Academy	223,615	210,669
Harworth C of E Academy	185,311	153,183
St Mary Magdalene C of E Primary School	176,207	232,739
St John's C of E Academy	158,225	185,238
St Peters Crosskeys C of E Academy	158,417	100,660
Worksop Priory C of E Primary Academy	76,212	101,185
Burntstump Seely C of E Primary Academy	39,897	42,561
The King's C of E Primary Academy	124,210	30,290
St Peters C of E Primary Academy Mansfield	283,836	213,961
St Swithun's C of E Primary Academy	114,650	78,545
The Samworth Church Academy	218,307	143,208
St Mary's C of E Primary School Edwinstowe	66,944	38,295
Haggonfields Primary School	14,525	17,381
Hucknall National C of E Primary School	296,487	-
West Grantham C of E Primary Academy	499,782	-
West Grantham C of E Secondary Academy	976,410	-
Central MAT	309,677	216,414
Total before fixed asset funds and pension reserve	3,922,712	1,764,329
Restricted fixed asset fund	42,394,731	40,279,957
Pension reserve	(31,095,000)	(19,529,000)
Total	15,222,443	22,515,286

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Magnus C of E	3,375,448	977,621	367,018	546,670	5,266,757	4,884,786
Harworth C of E	667,614	168,854	50,642	106,232	993,342	939,978
St Mary Magdalene C of E	687,560	208,101	75,996	128,811	1,100,468	944,471
St John's C of E	1,313,644	441,670	145,931	252,876	2,154,121	1,985,528
St Peters Crosskeys C of E	675,188	160,490	72,691	142,696	1,051,065	1,029,315
Worksop Priory C of E	1,055,479	257,217	55,595	148,750	1,517,041	1,460,213
Burntstump Seely C of E	367,361	74,103	35,965	90,650	568,079	557,241
The King's C of E	1,079,301	266,232	91,445	182,590	1,619,568	1,558,028
St Peters C of E Mansfield	982,707	255,304	117,749	144,846	1,500,606	1,350,496
St Swithun's C of E	496,271	129,062	38,678	93,310	757,321	700,908
The Samworth Church Academy	4,770,170	1,274,952	572,686	593,107	7,210,915	6,880,743
St Mary's C of E Edwinstowe	418,709	112,138	26,074	73,912	630,833	434,230
Haggonfields	404,358	129,090	33,366	81,995	648,809	334,639
Hucknall National C of E Primary School	1,341,827	367,579	92,963	220,842	2,023,211	-
West Grantham C of E Primary	823,918	165,582	29,422	155,873	1,174,795	-
West Grantham C of E Secondary	1,098,868	521,646	57,241	237,908	1,915,663	-
Central MAT	333,647	535,510	34,480	514,614	1,418,251	1,066,241
Academy Trust	19,892,070	6,045,151	1,897,942	3,715,682	31,550,845	24,126,817

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Analysis of net assets between funds

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	41,281,055	41,281,055
Current assets	434,091	6,122,906	1,113,676	7,670,673
Creditors due within one year	-	(2,543,457)	-	(2,543,457)
Creditors due in more than one year	-	(90,828)	-	(90,828)
Pension scheme liabilities	-	(31,095,000)	-	(31,095,000)
Total	434,091	(27,606,379)	42,394,731	15,222,443

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of Financial Activities)	(4,940,843)	(683,977)
Adjustments for:		
Depreciation	1,107,836	954,040
Adjustment to opening cost of leasehold property	356,096	-
Capital grants from DfE and other capital income	(975,705)	(987,975)
Interest receivable	(672)	(1,351)
(Increase)/decrease in stocks	(14,254)	15,918
Decrease/(increase) in debtors	342,948	(230,122)
Increase in creditors	583,919	361,129
Defined benefit pension scheme obligation inherited	6,830,000	699,000
Defined benefit pension scheme cost less contributions payable	2,003,000	1,354,000
Defined benefit pension scheme finance cost	381,000	255,000
Surplus on conversion/transfer from existing academies	(1,186,688)	(15,974)
Donated assets	(2,381,358)	(1,321,186)
Net cash provided by operating activities	2,105,279	398,502

22. Cash flows from financing activities

	2021 £	2020 £
Cash inflows from new borrowing	111,012	-

23. Cash flows from investing activities

	2021 £	2020 £
Interest receivable	672	1,351
Purchase of tangible fixed assets	(683,093)	(456,737)
Capital grants from DfE Group	975,705	987,975
Cash transferred on conversion to an Academy Trust	1,186,688	15,974
Transferred to bank deposit account	(2,000,137)	-
Net cash (used in)/provided by investing activities	(520,165)	548,563

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	4,895,594	3,199,468
	<u>4,895,594</u>	<u>3,199,468</u>

25. Analysis of changes in net debt

	At 1		Transfer	
	September	Cash flows	from local	At 31
	2020	£	authority on	August 2021
	£		conversion/	£
			transfer in	
			from	
			existing	
			academies	
			£	
Cash at bank and in hand	3,199,468	865,534	830,592	4,895,594
Debt due within 1 year	-	(20,184)	-	(20,184)
Debt due after 1 year	-	(90,828)	-	(90,828)
	<u>3,199,468</u>	<u>754,722</u>	<u>830,592</u>	<u>4,784,782</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

26. Conversion to an Academy Trust

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

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

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

	Unrestricted funds £	Restricted funds £	Total funds £
Cash - representing budget surplus/(deficit) on LA funds	166,587	-	166,587
LGPS pension surplus / (deficit)	-	(1,775,000)	(1,775,000)
Net assets/(liabilities)	166,587	(1,775,000)	(1,608,413)

27. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements	290,141	50,932

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments

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

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

Contributions amounting to £458,388 were payable to the schemes at 31 August 2021 (2020 - £335,793) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,294,729 (2020 - £1,946,687).

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

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,724,000 (2020 - £1,206,000), of which employer's contributions totalled £1,342,000 (2020 - £924,000) and employees' contributions totalled £382,000 (2020 - £282,000). The agreed contribution rates for future years are 18 per cent for employers and 13 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.85 - 3.90	3.20 - 3.35
Rate of increase for pensions in payment/inflation	2.85 - 2.90	2.20 - 2.25
Discount rate for scheme liabilities	1.65 - 1.70	1.55 - 1.65
Inflation assumption (CPI)	2.85 - 2.90	2.20 - 2.25

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

	2021 Years	2020 Years
Retiring today		
Males	21.6	21.8
Females	24.3	24.4
Retiring in 20 years		
Males	22.8	23.2
Females	25.7	25.9

Sensitivity analysis on the defined benefit obligations

	2021 £000	2020 £000
Discount rate +0.1%	(1,532,000)	(921,000)
Discount rate -0.1%	1,567,000	952,000
Mortality assumption - 1 year increase	2,405,000	1,223,000
Mortality assumption - 1 year decrease	(2,307,000)	(1,178,000)
CPI rate +0.1%	1,381,000	839,000
CPI rate -0.1%	(1,342,000)	(813,000)

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

Share of scheme assets

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

	2021	2020
	£	£
Equities	17,179,000	8,352,000
Gilts	615,000	542,000
Property	2,646,000	1,841,000
Debt instruments	2,173,000	1,198,000
Others incl. cash	3,133,000	2,045,000
Total market value of assets	25,746,000	13,978,000

The actual return on scheme assets was £3,049,000 (2020 - £433,000).

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

	2021	2020
	£	£
Current service cost	(3,278,000)	(2,120,000)
Past service cost	(59,000)	(19,000)
Interest income	312,000	243,000
Interest cost	(693,000)	(498,000)
Administrative expenses	(8,000)	(3,000)
Total amount recognised in the Statement of Financial Activities	(3,726,000)	(2,397,000)

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

28. Pension commitments (continued)

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

	2021	2020
	£	£
At 1 September	33,507,000	25,117,000
Transferred in on existing academies joining the trust	11,106,000	-
Upon conversion	2,999,000	1,246,000
Current service cost	3,278,000	2,120,000
Interest cost	693,000	498,000
Employee contributions	382,000	282,000
Actuarial losses	5,089,000	3,744,000
Past service costs	59,000	19,000
Benefits paid	(272,000)	83,000
Liabilities extinguished on settlements	-	398,000
At 31 August	56,841,000	33,507,000

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

	2021	2020
	£	£
At 1 September	13,978,000	11,714,000
Transferred out on existing academies leaving the trust	6,051,000	-
Upon conversion	1,224,000	547,000
Interest income	312,000	243,000
Actuarial gains/(losses)	2,737,000	(74,000)
Employer contributions	1,342,000	924,000
Employee contributions	382,000	282,000
Benefits paid	(272,000)	83,000
Administrative expenses	(8,000)	(3,000)
Assets distributed on settlements	-	262,000
At 31 August	25,746,000	13,978,000

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

29. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	65,879	89,131
Later than 1 year and not later than 5 years	66,488	112,745
	<u>132,367</u>	<u>201,876</u>

30. Members' liability

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

31. Post balance sheet events

Mount C of E Primary and Nursery School joined SNMAT on 1 November 2021.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the Academy Trust received £13,481 (2020 - £21,301) and disbursed £13,481 (2020 - £21,301) from the fund. An amount of £Nil (2020 - £Nil) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

33. Related party transactions

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

Expenditure related party transactions

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

- RPS Business Healthcare charged the DSNMAT a total of £7,797 (2020 - £2,960) for the provision of occupational health services to the Trust during the period. There was a balance of £Nil outstanding at 31 August 2021 (2020 - £1,509).

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

- Southwell & Nottingham Diocesan Board of Finance charged the DSNMAT a total of £89,820 (2020 - £82,033) for the provision of staff and training courses to the Trust during the period. There was a balance of £Nil outstanding at 31 August 2021 (2020 - £Nil).

Sarah Abbott, spouse of Phil Abbott, a member of the senior management team, is employed by the Academy Trust as a Teacher and received remuneration, including pension contributions, of £27k (2020 - £Nil). Sarah Abbott was paid within the normal pay scales for her role and receives no special treatment as a result of her relationship to Phil Abbott.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

34. Transfer of existing academies into the Academy Trust

On 1 January 2021 West Grantham C of E Primary Academy and West Grantham C of E Secondary Academy were transferred to Diocese of Southwell and Nottingham Multi-Academy Trust from West Grantham Academies Trust for £Nil consideration.

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

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

West Grantham Church of England Primary Academy

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
Tangible fixed assets			
Leasehold land	2,549,801	(2,494,801)	55,000
Freehold land and buildings	1,755,883	-	1,755,883
Furniture and equipment	47,200	-	47,200
Current assets			
Debtors due within one year	88,575	-	88,575
Cash at bank and in hand	385,521	-	385,521
Liabilities			
Creditors due within one year	(125,486)	-	(125,486)
Creditors due after one year	(45,617)	-	(45,617)
Net assets	<u>4,655,877</u>	<u>(2,494,801)</u>	<u>2,161,076</u>