

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**CONTENTS**

---

	Page
<b>Reference and Administrative Details</b>	1 - 2
<b>Trustees' Report</b>	3
<b>Governance Statement</b>	13 - 18
<b>Statement on Regularity, Propriety and Compliance</b>	19
<b>Statement of Trustees' Responsibilities</b>	20
<b>Independent Auditors' Report on the Financial Statements</b>	21 - 23
<b>Independent Reporting Accountant's Report on Regularity</b>	24 - 25
<b>Statement of Financial Activities Incorporating Income and Expenditure Account</b>	26 - 27
<b>Balance Sheet</b>	28
<b>Statement of Cash Flows</b>	29
<b>Notes to the Financial Statements</b>	30 - 60

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	B Chalkley R Newton Chance J Carter (resigned 23 January 2020) K Martin P Castell (appointed 14 April 2020) S Lloyd (appointed 21 April 2020)
<b>Trustees</b>	C Piper (appointed 24 September 2020) <sup>1</sup> B Cook <sup>1,3,5</sup> C Stevens <sup>1,4,6</sup> L Lawson (appointed 25 June 2020) <sup>1</sup> D Buckley, Chief Executive Officer & Accounting Officer <sup>1,2,3,4,5,6</sup> H Casson <sup>1,2</sup> J Crisp <sup>1,2,5</sup> J Kitson (resigned 12 January 2020) <sup>1,3,5</sup> S Brownlow <sup>1,4,6</sup> C Marshall (appointed 10 September 2019, resigned 9 October 2020) <sup>1,4,6</sup> R Newton Chance, Chair <sup>1,2,3,5</sup>
	<sup>1</sup> Trust Board <sup>2</sup> Learning Committee <sup>3</sup> Resources Committee <sup>4</sup> People Committee <sup>5</sup> Audit Committee <sup>6</sup> Remuneration Committee
<b>Company registered number</b>	07542166
<b>Company name</b>	South East Cornwall Multi Academy Regional Trust
<b>Principal and Registered office</b>	Liskeard School and Community College Luxstowe Liskeard Cornwall PL14 3EA
<b>Accounting Officer</b>	D Buckley
<b>Senior Management Team</b>	D Buckley, Chief Executive Officer J Lumbard, Chief Financial Officer K Pipe, Dobwalls Community Primary School Acting Headteacher K Ball, Landulph School Headteacher A Lingard, Liskeard School & Community College Headteacher S Yalden, Looe Community Academy Headteacher K Littleddyke, Saltash Community School Headteacher V Lovell, Trewidland Primary School Headteacher

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Independent auditors** Bishop Fleming LLP  
Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

**Bankers** Lloyds Bank plc  
3 - 9 Raleigh Street  
Plymouth  
Devon  
PL1 1EU

**Solicitors** Wolferstans Solicitors  
60-66 North Hill  
Plymouth  
Devon  
PL4 8EP

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

The Trustees present their annual report together with the financial statements and Auditors' Report of the charitable company for the year ended 31 August 2020. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Academy Trust operates 3 primary and 3 secondary Academies in the South East Cornwall area. Its Academies have a combined pupil capacity of 3,957 and had a roll of 3,158 in the school census in October 2020.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

SMART (South East Cornwall Multi Academy Regional Trust) is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of South East Cornwall Multi Academy Regional Trust are also the Directors of the charitable company for the purposes of company law. The Academies are known as Dobwalls Community Primary, Landulph School, Liskeard School and Community College, Looe Community Academy, Saltash Community School and Trewidland Community Primary School.

Details of the Trustees who served throughout the year, are included in the Reference and Administration Details on page 1 and 2.

**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 they cease to be a Member.

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at SMART's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the SMART, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of SMART. The limit of this indemnity is £1,000,000.

**Method of recruitment and appointment or election of Trustees**

The Board is organised around specified roles and committees. The Board recruits to specific roles as and when necessary by inviting applications from people with the suitable attributes and experience for the role. Depending on the appointing group, applications will be considered by the Trustees or Members of SMART, who will decide the successful candidate. The appointment is subject to the issue of a satisfactory enhanced DBS check, completed application forms and skills audit, and a successful interview.

In making appointments, the Board will also have regard to gender balance and the need to represent a range of backgrounds and experience.

The Trust also recruits via specialist agencies both for Directors and Members. The same process is applied irrespectively.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Policies and Procedures adopted for the Induction and Training of Trustees**

The Trust Board believe it is essential that all new Trustees receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that new Trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of Trustees.

In order to achieve this, new Trustees will:

- Be sent an email by the Chair of the Trust Board welcoming the new Trustee
- Be sent an email by the Clerk to the Trust Board with the dates of future meetings and location details
- Meet with the Chair of Trustees who will give the new Trustee the relevant documents and other information as required
- Be contacted by the CEO of SMART to arrange a meeting where they will cover the background, the schools and the current issues facing SMART
- Visit each of the schools in our Trust and meet with the Headteacher
- Be encouraged to undertake further governance and other CPD

**Organisational Structure**

SMART comprises three secondary schools – Liskeard School and Community College, Looe Community Academy and Saltash Community School – and three primary schools – Dobwalls Community Primary, Landulph School and Trewidland Community Primary School.

The Trustees of SMART are responsible for setting policies to be used within the Trust, adopting and monitoring an annual plan and budget, and determining the key strategic direction of the Trust. Each school also has its own Local Governing Committee responsible for the scrutiny of policies and practices with their responsibilities set out in a scheme of delegation. Governors of the Local Governing Committee at each of the schools are linked to a Trustee on the Trust Board dependant on their skills which are relevant to the particular Trustee's portfolio. The Trust Board normally meets at least once each term to undertake business and receive reports from other Committees and the Local Governing Committee of each school.

The current organisation structure consists of the Members, Trustees, and a MAT Senior Leadership Team comprised of the Chief Executive Officer, the Chief Financial Officer and the Headteachers of each of the schools. The Headteachers and their Senior Leadership Teams control the Academies within those powers delegated to them, implementing the policies laid down by the Trustees and reporting back to them and their LGCs through a termly Headteacher's Report. They are also responsible for the authorisation of spending within agreed budgets as set out within the Trust's scheme of delegation.

Also reporting to the Chief Executive Officer is a Central Business Unit team, which includes the Chief Financial Officer.

The Chief Executive Officer is the Accounting Officer.

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

The Trustees consider that the Chief Executive Officer, the Chief Financial Officer, the Headteachers and the Senior Leadership Teams comprise the key leadership personnel in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of personnel is reviewed annually in accordance with the Trust's Pay Policy. This is presented to the Trust Board via its Remuneration Committee for approval.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**Trade union facility time**

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
9	8.8108

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	8
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£1,821.93
Provide the total pay bill	14,471,234
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.0123

Paid trade union activities

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

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

SMART has no connected organisations or related party relationships so is therefore not exposed to any impact this may have on the operating policies of the Trust.

**Engagement with employees (including disabled persons)**

The Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

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

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials particularly when establishing and reviewing policies.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

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

During the year the Trust has continued to foster professional relationships with its suppliers and customers, including its stakeholders in the wider community. This year with the impact of Covid-19, it has been especially pertinent to adhere to the government's Procurement Policy Notes, PPN02 and 04. The Trust has invested time in communicating with its major contractors, mainly those that provide catering and cleaning, to ensure that the correct measures were in place due to the changes required due to school closures. The Trust has ensured that timely payments have been made to all suppliers and contractors; this includes building contractors who have undertaken larger contracted works during the summer months.

The Trust always observes the 7 principles of public life. These principles underpin the decisions made by the company when engaging with suppliers, customers, and beneficiaries.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

As set out in the Memorandum and Articles of Association, the object of SMART is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

Held at the core of the Multi Academy Trust, its vision provides an agreed statement of what it wants to achieve together. It allows the Trust to set the defined direction of its development at the level of the individual school as well as more widely across the MAT.

SMART Learners

- Every child and adult constantly striving for excellence in all areas of learning.
- Positive recognition of achievement in all its forms and at all levels ensuring every learner feels both supported and challenged.
- Creating strong partnerships with peers and parents to maximise the progress of all learners.

SMART Leaders

- Every child and adult having opportunities to demonstrate and develop their leadership.
- Schools, Governors, staff and children being empowered to be active in developing their own character and owning their own futures.
- Headteachers and Governors earning autonomy for their school and actively engaging in system leadership regionally, nationally and internationally.

SMART Communities

- One Trust, working together to focus on the needs of all learners at all phases across South East Cornwall.
- Inclusive local schools with all children and adults making positive contributions as good citizens to strengthen local communities.
- All children and adults feeling safe within a caring and nurturing community in which mutual respect and kindness are non-negotiable.

**Objectives, Strategies and Activities**

The main strategic objectives and activities of the Trust are underpinned by its EQUIP principles (Expect the best, Question deeply, Understand our goals, Inspire a love of learning and Praise achievement) which are applied to all of its work, from classroom practice to Trust Board meetings.



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

At present these are:

- To remove disadvantage so all children make good progress and evaluated intervention is applied.
- To challenge the most able by questioning deeply for understanding and having the highest aspiration for achievement.
- To personalise learning for all by integrating academic and wellbeing skills in a broad, balanced curriculum.
- To develop leaders at all levels by distributing leadership for all adults and talent management for succession.
- To support excellent governance so all Governors, Trustees and clerks are provided with high quality training.
- To inspire improved teaching by a critical friends' peer review to enhance and share best practice for system leadership.
- To grow the MAT sustainably by building capacity ahead of growth.
- For schools to act as community hubs by all children being active citizens and parents being engaged in deep partnership.
- To grow partner networks by establishing training school alliances, MAT MoUs and global connections.
- To ensure that financial stability and risk management underpins all of our work.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

**STRATEGIC REPORT**

**Achievements and Performance**

Due to the Covid-19 pandemic it is easiest to consider the year in two halves.

Prior to lockdown all schools embarked on an ambitious reassessment of learning to focus on deeper understanding and the pedagogies that enable it. Driven by Heads and subject leads in all schools, this was recognised as a strength during conversations with subject leaders in the Liskeard School & Community College OFSTED report. The Dobwalls Primary School OFSTED inspection occurred earlier in the year when the school was in the first month of these changes and the initiative had not yet had time to embed in the foundation subjects, although OFSTED endorsed the process and the direction of travel.

Mid-term staff appraisal reviews completed prior to lockdown showed that the quality of teaching and the use of continuous learning across all staff had once again improved.

Internal assessment demonstrated improved performance in all schools in comparison to previous years and the accuracy of these assessments demonstrated improvement when compared to the difference between predicted and actual results in previous years.

Four of the six schools in the Trust underwent full internal peer reviews which demonstrated key areas of improvement in all cases since their previous reviews.

As in previous years, all schools engaged learners in a very wide and enriching set of extra-curricular experiences as well as variation in teaching approach. An increased number of these involved two or more schools in the Trust collaborating for the benefit of all pupils.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

Our annual Trust SMART staff training day involved a record number of excellent speakers with nearly one in three teachers and support staff sharing expertise by leading workshops for their colleagues from different schools. The high quality of content was verified through anonymous feedback, which noted that over 90% of the sessions going on inspired positive changes to practice.

On the announcement of lockdown, schools responded extremely positively and remained open for all children of key workers and vulnerable children from all of the schools. Offers of support were sent out to all schools in South East Cornwall offering to provide spaces and staff if any smaller school experienced difficulty.

We rapidly mobilised vouchers and food parcels for families most at need, well before a similar scheme was launched by government. This involved local negotiation with suppliers and other schools and was a credit to the staff involved who were also prepared to deliver food to those in need.

The professionalism of staff and the thorough implementation of risk assessments increasingly won the confidence of the community and we saw a steady increase in pupil numbers from 50 at the start to 300 by the end. Three schools had exceeded 20% attendance by June.

All schools in the Trust received numerous letters of support and praise for the quality of work and professionalism of staff who continued to provide high quality work in support of those educated at home. Those without an ICT connection were given the option of delivered printed materials.

Public examinations did not take place and instead the school asked for centre assessed grades (CAGs). In order to ensure that each child was appropriately awarded, a firm commitment was given that these results would not be used as a grading for the school or in any future OFSTED. CAGs were solely to benefit and correctly represent individuals, hence there will be no summary data given in this report. Like the vast majority of Trusts we engaged in a rigorous process of moderation before submitting the CAGs and are entirely confident that any future analysis or moderation by any awarding body would commend the schools on the thorough nature of their response.

We are pleased to report that 100% of those pupils expected to progress to their next steps destination did so successfully.

In both the A level and GCSE awarding processes the examination boards applied not only the CAGs but also, in addition to these, their grades calculated through an algorithm. The latter provided some unexpected results and generally led to some inflation from the predicted position in each school.

Pupil numbers for the Trust as a whole experienced a slight increase since last year with Liskeard School & Community College and Looe Community Academy increasing numbers and Dobwalls Primary School remaining oversubscribed, Saltash Community School and Landulph School remaining stable and Trewidland Primary School decreasing.

SMART remains an outward facing and collaborative Trust which has further increased its involvement in system leadership. SMART has been a key founder member of the new CACE network (Cornwall Association of Chief Executives); the Headteacher of Liskeard School & Community College has been accepted onto the executive of CASH (Cornwall Association of Secondary Headteachers); and our CFO remains a member of the Cornwall Schools Forum.

**Going Concern**

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future, provided the current additional grants for teachers' pay and pension contributions continue at the current level. For this reason, it continues to adopt the Going Concern basis in preparing the financial statements. Further details regarding the adoption of the Going Concern basis can be found in the Statement of Accounting Policies.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**FINANCIAL REVIEW**

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

SMART also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the SMART's accounting policies.

During the year ended 31 August 2020 total expenditure of £20,150,874 was covered by recurrent grant funding from the DfE, together with other incoming resources totalling £19,523,185. During the year expenditure exceeded income by £627,689. This excludes the restricted fixed asset funds.

At 31 August 2020 the net book value of fixed assets was £33,197,046 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students within SMART.

The Local Government Pension Scheme as at 31st August 2020 held a deficit of £7,485,000, the breakdown of which is detailed within note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Regulations policy and procedures and the Financial Scheme of Delegation.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of charitable company closure, outstanding LGPS liabilities would be met by the Department for Education. The guarantee came in force on 18th July 2013.

**Reserves Policy**

The policy of SMART is to carry forward a prudent level of reserves designed to enable capital investment and maintenance, to fund development planning and to be prepared for any other unforeseen contingencies.

The recommendation from SMART's auditors is to maintain a level of reserves at 8% of GAG and unrestricted income especially if there is an intention to expand the Trust. It is noted that larger MATs hold a level of reserve of between 8% and 12%. The target reserves are therefore around £1,240,000. Current free reserves (GAG and unrestricted funds) are £879,718.

The main financial risk to SMART is that of managing its short-term cash flow effectively. To mitigate this risk it has been agreed by the Trust Board that an appropriate reserves balance would be up to a maximum of 8% of income. Where there is a requirement for additional reserves in order to invest in assets or fund improvement/expansion projects, as per development planning, then this will be agreed by the Resources Committee as part of the budget approval process.

SMART has confidence that it will meet the required pension contributions from its projected income without significantly impacting on its planned level of charitable activity; it continues to calculate its 'free' or general unrestricted reserves without setting aside designated reserves to cover the pension liability.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that SMART is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the SMART's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the SMART.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**Investment Policy**

SMART will, where possible, use its income in the financial and academic years it is acquired with the exception of that designated as reserves. Investment therefore means placing that income in a low risk environment so funds are available when needed, and maximising returns by making use of appropriate savings and other investment accounts. To expedite this, the Chief Financial Officer is authorised to move funds among the various SMART accounts.

Any monies identified for a future purpose with an identified date will be invested appropriately.

The risk, advantages and disadvantages of having all SMART funding within one bank will be monitored annually by the Resources Trustees. The Chief Financial Officer will also ensure that the chosen bank is of a minimum of an A rating unless there is a compelling reason for it not to be. Other forms of investment for SMART funds will be regularly reviewed and adopted if approved by the Trust Board.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Trustees has reviewed the major risks to which SMART is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust and its finances. They have ensured that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements where necessary. The Trustees ensure a regular review of risks through the reporting provided by the Headteachers to the Local Governing Committees and then to the Trust Board.

The principal risks and uncertainties facing SMART are identified as follows:

- The Trust recognises the risk that may exist if one person has significant control and access of finance systems. To mitigate this risk a scheme of delegation and appropriate system checks are in place.
- The Trust accepts that there could be risk from the pooling of the membership of the Local Government Pension Scheme in which it participates. To mitigate this risk, the Trust monitors the most up to date information available from the Cornwall Pensions representatives.
- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same basis.
- The continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, the Trust ensures that student success and achievement are closely monitored and reviewed. Where entry is below the planned numbers, swift action is taken to adjust staffing and courses.
- In this year, the current COVID pandemic presents very particular risks to the students and staff in our care and we have in place mitigations which are regularly reviewed. There is, however, a further financial risk arising from unfunded mitigations.

**FUNDRAISING**

The Trust does not work with, or have oversight of, any commercial participators and/or professional fundraisers.

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

**STREAMLINED ENERGY AND CARBON REPORTING**

<b>UK Greenhouse gas emissions and energy use data for the 1 September 2019 to 31 August 2020</b>	
Energy consumption used to calculate emissions (kWh)	3,522,231
Energy consumption break down (kWh) (optional)	
• gas,	2,280,510
• electricity,	1,184,861
• transport fuel	56,860
<u>Scope 1 emissions in metric tonnes CO2e</u>	
Gas consumption	419
Owned transport – mini-buses	9
<u>Total scope 1</u>	428
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity	276
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles	6
<u>Total gross emissions in metric tonnes CO2e</u>	710
<u>Intensity ratio</u>	
Tonnes CO2e per pupil	0.23

**Quantification and Reporting Methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 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 installed smart meters across our sites and are upgrading windows and window walling to improve the quality of the environment and heat retention. Solar panels are in place at two of the large secondary schools. All replacement lighting is more energy efficient and includes movement sensors to ensure lighting is switched off automatically when an area is not in use.

Across the Trust there is increased use of technology for virtual meetings for staff, Governors, and Trustees to reduce the need for travel between sites. When travel between sites does occur, we encourage car sharing where possible.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**PLANS FOR FUTURE PERIODS**

Key plans for the future include:

- To continue the successful reduction in the attendance and progress gap for disadvantaged pupils. The most notable successes in this regard in the previous year were Saltash Community School and Looe school reductions in the difference in P8 key measure at KS4, with more improvement made by disadvantaged groups.
- To continuously improve the pedagogical skills of all teachers. To build on the agreed learning models developed with senior and middle leaders last year and through these, focus a higher proportion of training and meeting time on the development of pedagogy. This is in line with the change in the OFSTED framework.
- To continue to challenge the most able to ensure that the top 20% of attainment in secondary Y11 achieve P8 positive. That primary progress is positive for pupils in NARE and all primary years. ALPS for top three bands (A\*-B)/ ALPS overall. To build on the above average ALPS score achieved overall in the MAT this year which represents further progress from the position the year before.
- To personalise learning by ensuring that teaching proactively builds knowledge, skills and conceptual understanding and that slower development in any area is routinely highlighted for intervention or support. This has been most successful this year in the maintenance of high success rates in phonics and the agreement of a common skills framework.
- To build on the moderated assessment of leadership capacity conducted this year and use this to continue to develop leaders at all levels by all staff being supported in achieving their expected leadership levels. To particularly build on the middle leadership training programmes developed last year and implemented throughout the coming year.
- To support excellent governance by continuing to trial new structures for link governance that act on the feedback from 360 reviews and feedback.
- To inspire excellence by ensuring 100% of staff achieve an overall pass in appraisal.
- To grow sustainably by ensuring there is capacity in place.
- To grow partner networks by increasing the number of events which can add opportunities to other schools, play an active role in networking organisations such as CASH and continuing to share exemplar solutions with other institutions locally, nationally and internationally.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

SMART and its Trustees do not act as the Custodian Trustees of any other Charity.

**AUDITOR**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the Board of Trustees on 10 December 2020 and signed on their behalf, by:

**R Newton Chance**  
Chair of Trustees

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

---

**SCOPE OF RESPONSIBILITY**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between South East Cornwall Multi Academy Regional 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 as a group 3 times during the year. Whilst the full Board meets less than 6 times a year, all of the Trustees are involved in more meetings throughout the year depending on committees that they are members of. These committees have delegated decision making powers in line with the Trust scheme of delegation. Additionally, throughout the year all Trustees, including the Chair, are provided with a set of monthly management accounts. For these reasons it is considered that the Trust meets the Academies Financial Handbook requirements for achieving sufficient financial oversight.

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

Trustee	Meetings attended	Out of a possible
C Piper	0	0
B Cook	3	3
C Stevens	3	3
L Lawson	1	1
D Buckley, Chief Executive Officer & Accounting Officer	3	3
H Casson	2	3
J Crisp	3	3
J Kitson	2	2
S Brownlow	3	3
C Marshall	3	3
R Newton Chance, Chair	3	3

**Trust Board Annual Review 2020**

The Trust conducts an annual review of the effectiveness of the Trust Board with Members. The review focuses on the following questions from the SMART Scheme of Delegation and previously agreed with Members:

1. Does the Trust Board reflect the ethos and values of SMART and is the performance of the Trust in line with its stated ethos, vision and values?
2. Is the Trust Board effectively fulfilling its core governance functions?
3. Is there a clear vision for the Trust and is progress being made against the strategic aims being pursued to realise this vision?
4. Are senior leaders being held to account for the performance of the Trust?

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

---

**GOVERNANCE (CONTINUED)**

5. Is financial oversight sound? Are there significant financial risks facing SMART in terms of overall viability, the viability of individual schools, or other financial risks of which the Members should be aware?
6. Are there significant risks to standards and outcomes for children facing SMART overall, or within individual schools? (including but not exclusively schools at risk of an Ofsted RI or Category judgement) Is the Board confident in the Trust's capacity to meet these risks and can demonstrate that to Members?
7. Does the Board operate a robust and effective compliance system which assures Members that the Board is meeting its financial, statutory and legal obligations?
8. Does the Board have the capacity in terms of numbers and skills to meet current and future challenges i.e. are the right people around the table and are there any skills gaps?
9. How well does the Trust Board know the schools in SMART and whether the needs of the schools are being met? What evidence is there for this from current performance?
10. Has the Trust Board reviewed its own performance and have Members been informed of the outcome?
11. Are there robust plans for the future?
12. Are there significant reputational risks to the Trust, how engaged are stakeholders and is this reflected in the reputation of SMART?

In answering these questions, the sources of information available to us are:

- Original Articles of Association and subsequent agreed changes
- The SMART original development plan and subsequent changes
- SMART Strategic Plan and updates
- Trust Board Minutes
- Relevant sub committee minutes e.g. Resources, Learning, People etc.
- Annual Report and Accounts from audit
- Non-identifiable aggregated Trust Board Skills Audit
- Any documents on the review of the Trust Board's activities and capability

The Trust Board Chair has prepared a report against each of these questions which has been presented and accepted by Members. The structure of the Board and the Scheme of Delegation have been amended in light of these annual reviews.

**Committees of the Trust Board**

The Learning Committee is a sub-committee of the main Board of Trustees. The Learning Committee exists to support the Board of the Multi Academy Trust in its delivery of the policies and services as determined by the Trust, the Leadership Group and relevant legislation.

The purpose of the Learning Committee is to monitor the effectiveness of teaching and learning across the Trust's schools in the context of a broad and balanced curriculum.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Crisp, Chair	4	4
H Casson	4	4
R Newton Chance	4	4

The CEO is in attendance at the Learning Committee meetings.

The Resources Committee is also a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the Board of Trustees by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity.



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

---

**GOVERNANCE (CONTINUED)**

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
B Cook, Chair	4	4
R Newton Chance	4	4
J Kitson	1	1

The CEO and CFO are in attendance at the Resources Committee meetings.

The People Committee is also a sub-committee of the main Board of Trustees. The purpose of the People Committee is to focus on issues relating to the employment, development and wellbeing of staff, the safety and wellbeing of students and the Trust's relationships with its community and partners.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Brownlow, Chair	3	3
C Marshall	3	3
C Stevens	3	3

The CEO is in attendance at the People Committee meetings.

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds, and to promote the development of internal control systems which will help satisfy the Board of Trustees that the Multi Academy Trust will achieve its objectives whilst operating in accordance with any statutory requirements.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Kitson, Chair	1	1
J Crisp	1	2
R Newton Chance	3	3
B Cook	3	3

The CEO and CFO are in attendance at the Audit Committee meetings.

The Remuneration Committee is also a sub-committee of the main Board of Trustees. Its purpose is to verify that the processes for performance management and associated pay awards for all staff are fair, equitable and in line with statutory and contractual obligations.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Brownlow	2	2
C Marshall	2	2
C Stevens	2	2

The CEO and CFO are in attendance at the Remuneration Committee meetings.

**GOVERNANCE STATEMENT (CONTINUED)**

---

**REVIEW OF VALUE FOR MONEY**

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

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

**Improving Educational Results**

Ensuring that resources are directed to where they are most needed and are most effective in meeting educational requirements. The Academy Trust has:

- Engaged with other schools within the local area to provide cost effective, quality vocational study opportunities to its students.
- Monitored performance of its staff through its Quality Assurance cycle and has deployed staff efficiently within curriculum departments.
- Identified the differing needs of students and has ensured the relevant support is provided to them by focusing on both Pupil Premium and Sports funding.

The effectiveness of these strategies can be seen in the improvements to SATS, GCSE and A level results in a range of subjects in each of the Academies during the summer exam season of 2019. Evidence of the other targeted groups is detailed within the Pupil Premium report published on the Academies' websites. Where improvements have not occurred, each of the schools has been internally reviewed and specific, impact assessment based, short term targets have been set.

**Financial Governance and Oversight**

SMART's governance arrangements include regular monitoring by the Trust Board, the Resources Committee and the Audit Committee. They receive financial reports on a regular basis during the year and agree and ratify the budget on an annual basis.

**Better Purchasing**

Local Governors, school managers and staff follow procedures for assessing need and obtaining goods and services which provide value for money in terms of suitability, efficiency, time and cost.

Examples of steps taken to ensure value for money when purchasing include:

- Viewing alternative purchasing options online in order to find the best value
- Securing MAT wide discounts and alignment of contracts where possible
- A tender process for major purchases and contracts

The apprenticeship levy is being used effectively to provide quality training to both entry level apprentices and middle and senior leaders. This strategy has released funding to other CPD initiatives and enabled money to be saved.

As the Trust has over 3,000 students it receives an annual allocation of capital SCA funding (School Condition Allocation). The Trust has developed a robust policy to ensure that the funding is employed effectively and consistently across the schools. Any identified works are carried out in line with the Trust's tender policy.

**Better Income Generation**

Examples of steps taken to maximise income include:

- The letting of school premises and All Weather Pitches to local community groups
- The provision of Caretaking and Property Compliance services to other local schools
- Bid writing and applications for grant funding for specific projects

**GOVERNANCE STATEMENT (CONTINUED)**

---

**REVIEW OF VALUE FOR MONEY (CONTINUED)**

**Reviewing Controls and Managing Risks**

Regular budget reports and expenditure against the budget have been reviewed by the Local Governing Committees and the Trust Board as well as by budget holders in order to ensure that spending is within budget.

Segregation of duties in terms of authorisation, responsibility and accountability is applied across the Trust to all budget holders, SLT and finance teams. On a termly basis an internal finance audit is undertaken by the Trust's Senior Finance Officer to ensure compliance with key financial risks. Annual internal scrutiny assurance checks are undertaken by external auditors on behalf of the Trustees. These tests are defined by the Audit Committee in line with the key risks to the Trust.

The Risk Register is reviewed regularly during the year to ensure the key strategic risks are monitored and to ensure mitigation procedures are in place where appropriate. Actions taken to manage risk include the purchase of an appropriate level of insurance cover and seeking professional advice from Human Resources, Accountants and Legal Services when required.

**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 South East Cornwall Multi Academy Regional Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**THE RISK AND CONTROL FRAMEWORK**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming LLP, the external auditors, to perform additional checks.

**GOVERNANCE STATEMENT (CONTINUED)**

---

**THE RISK AND CONTROL FRAMEWORK (CONTINUED)**

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

- Testing of payroll systems
- Testing of accounting systems
- Testing of purchase systems
- Testing of budgets and financial monitoring
- Testing of strategic and operational review
- Testing of Accounting Officer checks and further regularity checks

Annually, a report is issued by Bishop Fleming LLP to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

During the current period, Bishop Fleming LLP delivered their schedule of work as planned. There were no material control issues arising as a result of their work.

**REVIEW OF EFFECTIVENESS**

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

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

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

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

and signed on

**R Newton Chance**  
Chair of Trustees

**D Buckley**  
Accounting Officer

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As Accounting Officer of South East Cornwall Multi Academy Regional 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 ESFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

**D Buckley**  
Accounting Officer  
Date: 10 December 2020

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

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

Company law requires the Trustees to prepare financial statements for each financial 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 2019 to 2020;
- 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 on  
and signed on its behalf by:

**R Newton Chance**  
(Chair of Trustees)

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST**

---

**OPINION**

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

In our opinion the financial statements:

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

**BASIS FOR OPINION**

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

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST (CONTINUED)**

---

**OTHER INFORMATION**

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

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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.



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST (CONTINUED)**

---

**RESPONSIBILITIES OF TRUSTEES**

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

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

**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**USE OF OUR REPORT**

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

**Pamela Tuckett FCA DChA (Senior Statutory Auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth  
PL4 0BN

Date:

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH EAST  
CORNWALL MULTI ACADEMY REGIONAL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

---

In accordance with the terms of our engagement letter dated 17 June 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by South East Cornwall Multi Academy Regional Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL  
TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of South East Cornwall Multi Academy Regional Trust's funding agreement with the Secretary of State for Education dated 23 March 2017 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy Trust complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SOUTH EAST  
CORNWALL MULTI ACADEMY REGIONAL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

---

**CONCLUSION**

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

Pamela Tuckett FCA DChA (Reporting Accountant)

**Bishop Fleming LLP**

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date:

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>						
Donations and capital grants	3	2,742	10,069	1,056,113	1,068,924	1,163,683
Charitable activities	4	254,030	18,073,719	-	18,327,749	18,022,497
Other trading activities	6	125,249	-	-	125,249	149,183
Investments	7	1,263	-	-	1,263	4,058
<b>TOTAL INCOME</b>		<b>383,284</b>	<b>18,083,788</b>	<b>1,056,113</b>	<b>19,523,185</b>	<b>19,339,421</b>
<b>EXPENDITURE ON:</b>						
Raising funds	8	4,849	-	-	4,849	6,036
Charitable activities	9	431,795	18,624,886	1,089,344	20,146,025	19,418,199
<b>TOTAL EXPENDITURE</b>		<b>436,644</b>	<b>18,624,886</b>	<b>1,089,344</b>	<b>20,150,874</b>	<b>19,424,235</b>
<b>NET INCOME/ (EXPENDITURE)</b>		<b>(53,360)</b>	<b>(541,098)</b>	<b>(33,231)</b>	<b>(627,689)</b>	<b>(84,814)</b>
Transfers between funds	18	(3,321)	(187,819)	191,140	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>(56,681)</b>	<b>(728,917)</b>	<b>157,909</b>	<b>(627,689)</b>	<b>(84,814)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(351,000)	-	(351,000)	(1,646,000)
<b>NET MOVEMENT IN FUNDS</b>		<b>(56,681)</b>	<b>(1,079,917)</b>	<b>157,909</b>	<b>(978,689)</b>	<b>(1,730,814)</b>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Restricted fixed asset funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward	424,932	(5,751,799)	34,346,687	29,019,820	30,750,634
Net movement in funds	(56,681)	(1,079,917)	157,909	(978,689)	(1,730,814)
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>368,251</b>	<b>(6,831,716)</b>	<b>34,504,596</b>	<b>28,041,131</b>	<b>29,019,820</b>

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

The notes on pages 30 to 60 form part of these financial statements.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)  
REGISTERED NUMBER:07542166**

**BALANCE SHEET  
AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	15	<b>33,197,046</b>	33,294,572
<b>CURRENT ASSETS</b>			
Stocks		7,770	6,846
Debtors	16	700,899	1,048,391
Cash at bank and in hand		3,232,767	2,483,621
		<u>3,941,436</u>	<u>3,538,858</u>
Creditors: amounts falling due within one year	17	<u>(1,612,351)</u>	<u>(1,526,610)</u>
<b>NET CURRENT ASSETS</b>		<b>2,329,085</b>	2,012,248
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>35,526,131</b></u>	<u>35,306,820</u>
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<u><b>35,526,131</b></u>	<u>35,306,820</u>
Defined benefit pension scheme liability	25	<u>(7,485,000)</u>	<u>(6,287,000)</u>
<b>TOTAL NET ASSETS</b>		<u><u><b>28,041,131</b></u></u>	<u><u>29,019,820</u></u>
<b>FUNDS OF THE ACADEMY TRUST</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	34,504,596	34,346,687
Restricted income funds	18	653,284	535,201
		<u>35,157,880</u>	<u>34,881,888</u>
Restricted funds excluding pension liability	18	<u>35,157,880</u>	<u>34,881,888</u>
Pension reserve	18	<u>(7,485,000)</u>	<u>(6,287,000)</u>
<b>Total restricted funds</b>	18	<u><b>27,672,880</b></u>	<u>28,594,888</u>
<b>Unrestricted income funds</b>	18	<u><b>368,251</b></u>	<u>424,932</u>
<b>TOTAL FUNDS</b>		<u><u><b>28,041,131</b></u></u>	<u><u>29,019,820</u></u>

The financial statements on pages 26 to 60 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

**R Newton Chance**  
(Chair of Trustees)

The notes on pages 30 to 60 form part of these financial statements.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

	<b>Note</b>	<b>2020 £</b>	2019 £
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by operating activities	20	<b>683,589</b>	473,358
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	21	<b>65,557</b>	268,364
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>749,146</b>	741,722
Cash and cash equivalents at the beginning of the year		<b>2,483,621</b>	1,741,899
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	22, 23	<b>3,232,767</b>	2,483,621

The notes on pages 30 to 60 form part of these financial statements

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**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 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

South East Cornwall Multi Academy Regional 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.

**1.3 INCOME**

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

• **Grants**

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.

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions), where receipt is probable and it can be measured reliably.



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

---

**1. ACCOUNTING POLICIES (continued)**

**1.3 INCOME (CONTINUED)**

• **Donations**

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

• **Other income**

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

**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.

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 INTEREST RECEIVABLE**

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

**1.6 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.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.7 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.

On conversion, the Academies joining the Trust were granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

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

Freehold property	- 2% straight line
Long-term leasehold property	- 5% / 4% / 2% / 0.8% straight line
Office equipment	- 20% straight line
Computer equipment	- 33% straight line

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.

**1.8 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

**1.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

**1.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.11 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.

**1.12 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 note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.13 OPERATING LEASES**

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

**1.14 PENSIONS**

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

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

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

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**1. ACCOUNTING POLICIES (continued)**

**1.14 PENSIONS (CONTINUED)**

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

**1.15 AGENCY ARRANGEMENTS**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from 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, paid and any balances held at period end are disclosed in Note 30.

**1.16 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**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 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 25, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**3. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Donations	2,742	10,069	-	12,811
Capital Grants	-	-	1,056,113	1,056,113
<b>TOTAL 2020</b>	<b>2,742</b>	<b>10,069</b>	<b>1,056,113</b>	<b>1,068,924</b>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	16,910	11,227	-	28,137
Capital Grants	-	-	1,135,546	1,135,546
<b>TOTAL 2019</b>	<b>16,910</b>	<b>11,227</b>	<b>1,135,546</b>	<b>1,163,683</b>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education	145,415	18,073,719	18,219,134
Nursery	108,615	-	108,615
<b>TOTAL 2020</b>	<b>254,030</b>	<b>18,073,719</b>	<b>18,327,749</b>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Education	761,651	17,140,255	17,901,906
Nursery	120,591	-	120,591
<b>TOTAL 2019</b>	<b>882,242</b>	<b>17,140,255</b>	<b>18,022,497</b>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	<b>Unrestricted funds 2020 £</b>	<b>Restricted funds 2020 £</b>	<b>Total funds 2020 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant	-	15,168,911	<b>15,168,911</b>
Other DfE/ESFA grants	-	2,138,056	<b>2,138,056</b>
	-	<b>17,306,967</b>	<b>17,306,967</b>
<b>Other government grants</b>			
High Needs	-	420,159	<b>420,159</b>
Other government grants non capital	-	144,228	<b>144,228</b>
	-	<b>564,387</b>	<b>564,387</b>
<b>Other funding</b>			
Internal catering income	15,707	-	<b>15,707</b>
Income for hosting trainee teachers	14,549	-	<b>14,549</b>
Sales to students	3,565	-	<b>3,565</b>
Other income	111,594	202,365	<b>313,959</b>
	<b>145,415</b>	<b>202,365</b>	<b>347,780</b>
<b>TOTAL 2020</b>	<b>145,415</b>	<b>18,073,719</b>	<b>18,219,134</b>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**5. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS (CONTINUED)**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
<b>DFE/ESFA GRANTS</b>			
General Annual Grant	-	14,959,773	14,959,773
Other DfE/ESFA grants	-	1,255,894	1,255,894
	-	16,215,667	16,215,667
<b>Other Government grants</b>			
High Needs	-	531,801	531,801
Other government grants non capital	-	231,371	231,371
	-	763,172	763,172
<b>Other funding</b>			
Internal catering income	325,303	-	325,303
Income for hosting trainee teachers	23,408	-	23,408
Sales to students	7,982	-	7,982
Other	404,958	161,416	566,374
	761,651	161,416	923,067
TOTAL 2019	761,651	17,140,255	17,901,906

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	55,254	55,254	73,907
Consultancy income	65,146	65,146	69,240
Breakfast Club fees received	4,849	4,849	6,036
TOTAL 2020	125,249	125,249	149,183

All prior year figures relate to unrestricted funds.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**7. INVESTMENT INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	Total funds 2019 £
Bank interest	1,263	<b>1,263</b>	4,058

All prior year figures relate to unrestricted funds.

**8. EXPENDITURE**

	<b>Staff Costs 2020 £</b>	<b>Premises 2020 £</b>	<b>Other 2020 £</b>	<b>Total 2020 £</b>
Expenditure on fundraising trading activities:				
Direct costs	4,849	-	-	<b>4,849</b>
Educational activities				
Direct costs	13,212,155	936,837	1,330,110	<b>15,479,102</b>
Support costs	2,393,324	814,846	1,361,244	<b>4,569,414</b>
Nursery				
Direct costs	94,335	-	1,383	<b>95,718</b>
Support costs	-	1,791	-	<b>1,791</b>
<b>TOTAL 2020</b>	<b>15,704,663</b>	<b>1,753,474</b>	<b>2,692,737</b>	<b>20,150,874</b>

	<b>Staff Costs 2019 £</b>	<b>Premises 2019 £</b>	<b>Other 2019 £</b>	<b>Total 2019 £</b>
Expenditure on fundraising trading activities:				
Direct costs	6,036	-	-	6,036
Educational activities				
Direct costs	12,112,639	763,128	1,804,385	14,680,152
Support costs	2,491,028	846,809	1,283,620	4,621,457
Nursery				
Direct costs	97,308	-	-	97,308
Support costs	-	2,179	17,103	19,282
<b>TOTAL 2019</b>	<b>14,707,011</b>	<b>1,612,116</b>	<b>3,105,108</b>	<b>19,424,235</b>



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>
Educational activities	15,479,102	4,569,414	<b>20,048,516</b>
Nursery	95,718	1,791	<b>97,509</b>
<b>TOTAL 2020</b>	<u>15,574,820</u>	<u>4,571,205</u>	<u><b>20,146,025</b></u>
	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Educational activities	14,680,152	4,621,457	19,301,609
Nursery	97,308	19,282	116,590
<b>TOTAL 2019</b>	<u>14,777,460</u>	<u>4,640,739</u>	<u>19,418,199</u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Education 2020 £</b>	<b>Nursery 2020 £</b>	<b>Total funds 2020 £</b>
Pension finance cost	56,000	-	<b>56,000</b>
Staff costs	2,393,324	-	<b>2,393,324</b>
Depreciation	152,508	-	<b>152,508</b>
Other costs	96,343	-	<b>96,343</b>
Recruitment and support	35,530	-	<b>35,530</b>
Maintenance of premises and equipment	160,082	-	<b>160,082</b>
Cleaning	49,307	143	<b>49,450</b>
Rent and rates	128,968	196	<b>129,164</b>
Energy costs	266,859	1,452	<b>268,311</b>
Insurance	149,876	-	<b>149,876</b>
Security and transport	57,122	-	<b>57,122</b>
Catering	151,797	-	<b>151,797</b>
Technology costs	197,436	-	<b>197,436</b>
Office overheads	59,804	-	<b>59,804</b>
Legal & professional costs- other	567,513	-	<b>567,513</b>
Bank interest and charges	4,491	-	<b>4,491</b>
Governance costs	42,454	-	<b>42,454</b>
<b>TOTAL 2020</b>	<b>4,569,414</b>	<b>1,791</b>	<b>4,571,205</b>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs (continued)**

	Education 2019 £	Nursery 2019 £	Total funds 2019 £
Pension income	61,000	-	61,000
Staff costs	2,491,028	-	2,491,028
Depreciation	124,230	-	124,230
Other costs	133,232	-	133,232
Recruitment and support	33,980	-	33,980
Maintenance of premises and equipment	152,592	17,103	169,695
Cleaning	48,391	129	48,520
Rent and rates	151,926	391	152,317
Energy costs	291,402	1,659	293,061
Insurance	167,595	-	167,595
Security and transport	68,912	-	68,912
Catering	266,589	-	266,589
Technology costs	176,994	-	176,994
Office overheads	58,604	-	58,604
Legal & professional costs- other	360,939	-	360,939
Bank interest and charges	9,743	-	9,743
Governance costs	24,300	-	24,300
	<u>4,621,457</u>	<u>19,282</u>	<u>4,640,739</u>

**10. NET EXPENDITURE**

Net expenditure for the year includes:

	2020 £	2019 £
Operating lease rentals	<b>56,689</b>	48,814
Depreciation of tangible fixed assets	<b>1,089,345</b>	1,051,986
Fees paid to auditors for:		
- audit	<b>12,700</b>	12,450
- other services	<b>6,820</b>	5,500
	<u><b>1,162,554</b></u>	<u>1,122,750</u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	£	£
Wages and salaries	<b>11,009,621</b>	11,018,759
Social security costs	<b>1,082,297</b>	1,014,433
Pension costs	<b>3,221,202</b>	2,405,498
	<b>15,313,120</b>	14,438,690
Agency staff costs	<b>368,137</b>	268,321
Staff restructuring costs	<b>23,406</b>	-
	<b>15,704,663</b>	14,707,011

Staff restructuring costs comprise:

	<b>2020</b>	2019
	£	£
Redundancy payments	<b>23,406</b>	-
	<b>23,406</b>	-

**b. STAFF NUMBERS**

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

	<b>2020</b>	2019
	No.	No.
Teachers	<b>179</b>	178
Administration and support	<b>186</b>	210
Management	<b>24</b>	25
	<b>389</b>	413

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**11. STAFF (CONTINUED)**

**c. HIGHER PAID STAFF**

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	1	1
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	1
In the band £100,001 - £110,000	1	-
	<u>7</u>	<u>8</u>

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as 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 £752,574 for 8 (8 FTE) personnel (2019: £682,747 for 9 (8 FTE) personnel).

**12. CENTRAL SERVICES**

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

- Business and Finance
- Administration and Human Resources
- Information Technology
- Premises Management
- School Improvement Support and Management

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

A 5% top slice of the Academy Trust's annual funding is retained.

The actual amounts charged during the year were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Dobwalls Community Primary School	<b>35,628</b>	34,380
Landulph School	<b>16,476</b>	16,716
Liskeard School & Community College	<b>261,132</b>	254,292
Looe Community Academy	<b>132,816</b>	122,700
Saltash Community School	<b>308,448</b>	308,676
Trewidland Primary School	<b>9,300</b>	9,588
<b>TOTAL</b>	<u><b>763,800</b></u>	<u>746,352</u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**13. TRUSTEES' REMUNERATION AND EXPENSES**

The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment, and not in respect of their services as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: D Buckley: remuneration between £100,000 and £105,000 (2019: between £90,000 and £95,000), employer's pension contributions between £20,000 and £25,000 (2019: between £15,000 and £20,000).

Other related party transactions involving the Trustees are set out in note 29.

During the year ended 31 August 2020, expenses totalling £1,162 were reimbursed or paid directly to 3 Trustees (2019: £3,510 to 5 Trustees).

**14. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £853 (2019: £833). The cost of this insurance is included in the total insurance cost.

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**15. TANGIBLE FIXED ASSETS**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>COST</b>					
At 1 September 2019	17,329,021	20,253,492	439,736	958,435	38,980,684
Additions	517,309	228,121	80,225	166,164	991,819
At 31 August 2020	<u>17,846,330</u>	<u>20,481,613</u>	<u>519,961</u>	<u>1,124,599</u>	<u>39,972,503</u>
<b>DEPRECIATION</b>					
At 1 September 2019	764,066	3,899,976	269,847	752,223	5,686,112
Charge for the year	330,950	583,425	55,196	119,774	1,089,345
At 31 August 2020	<u>1,095,016</u>	<u>4,483,401</u>	<u>325,043</u>	<u>871,997</u>	<u>6,775,457</u>
<b>NET BOOK VALUE</b>					
At 31 August 2020	<u><u>16,751,314</u></u>	<u><u>15,998,212</u></u>	<u><u>194,918</u></u>	<u><u>252,602</u></u>	<u><u>33,197,046</u></u>
At 31 August 2019	<u><u>16,564,955</u></u>	<u><u>16,353,516</u></u>	<u><u>169,889</u></u>	<u><u>206,212</u></u>	<u><u>33,294,572</u></u>

Included in freehold property is land amounting to £2,335,518 which is not depreciated.

Long-term leasehold property with a NBV brought forward of £16,564,955 has been recategorised to freehold property.

**16. DEBTORS**

	2020 £	2019 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	26,672	78,875
Prepayments and accrued income	549,079	843,055
VAT recoverable	125,148	126,461
	<u><u>700,899</u></u>	<u><u>1,048,391</u></u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	2019
	£	£
Trade creditors	<b>368,974</b>	297,068
Other taxation and social security	<b>529,869</b>	519,966
Other creditors	<b>37,608</b>	28,292
Accruals and deferred income	<b>675,900</b>	681,284
	<u><b>1,612,351</b></u>	<u>1,526,610</u>
	<b>2020</b>	2019
	£	£
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2019	<b>79,147</b>	97,790
Resources deferred during the year	<b>200,796</b>	79,147
Amounts released from previous periods	<b>(79,147)</b>	(97,790)
	<u><b>200,796</b></u>	<u>79,147</u>

At the Balance Sheet date the Trust was holding funds received in advance for government grants, UIFSM, rates relief, early years income and lettings income.



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>						
General Funds - all funds	424,932	383,284	(436,644)	(3,321)	-	368,251
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	441,606	15,168,911	(14,892,604)	(206,446)	-	511,467
Pupil Premium	47,554	876,741	(837,594)	-	-	86,701
PE and Sports Grant	13,158	50,420	(44,869)	-	-	18,709
Other government grants	21,156	1,063,123	(1,063,073)	3,965	-	25,171
General	13,597	202,365	(216,716)	11,341	-	10,587
School trips	(1,870)	10,069	(10,871)	3,321	-	649
High needs	-	712,159	(712,159)	-	-	-
Pension reserve	(6,287,000)	-	(847,000)	-	(351,000)	(7,485,000)
	<u>(5,751,799)</u>	<u>18,083,788</u>	<u>(18,624,886)</u>	<u>(187,819)</u>	<u>(351,000)</u>	<u>(6,831,716)</u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on joining the Trust	29,748,478	-	(806,849)	-	-	28,941,629
Fixed assets purchased from GAG and other restricted grants	310,594	920	(125,670)	191,140	-	376,984
Devolved Formula Capital/ SCA	1,386,578	554,624	(57,358)	-	-	1,883,844
Local Authority funding	783,831	503,000	(31,534)	-	-	1,255,297
Condition Improvement Fund	2,113,575	(2,431)	(65,606)	-	-	2,045,538
Purchased from unrestricted funds	3,631	-	(2,327)	-	-	1,304
	<u>34,346,687</u>	<u>1,056,113</u>	<u>(1,089,344)</u>	<u>191,140</u>	<u>-</u>	<u>34,504,596</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>28,594,888</u>	<u>19,139,901</u>	<u>(19,714,230)</u>	<u>3,321</u>	<u>(351,000)</u>	<u>27,672,880</u>
<b>TOTAL FUNDS</b>	<u><u>29,019,820</u></u>	<u><u>19,523,185</u></u>	<u><u>(20,150,874)</u></u>	<u><u>-</u></u>	<u><u>(351,000)</u></u>	<u><u>28,041,131</u></u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**18. STATEMENT OF FUNDS (CONTINUED)**

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

**Restricted Funds**

General Annual Grant - income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs.

Pupil Premium - represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

PE and Sports Grant - this represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

High Needs - funding received by the Local Authority and the ESFA to fund further support for students with additional needs.

General - this represents general donations and other curriculum income to be used for the normal running of the Academy Trust, including education and support costs.

Pension Reserve - this represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

**Restricted Fixed Asset Funds**

Fixed assets transferred on conversion - this represents the buildings and equipment donated to the Trust from the Local Authority on conversion to an Academy.

Fixed assets purchased from GAG and Unrestricted funds - this represents funds transferred from the restricted GAG fund to purchase fixed assets.

Devolved Formula Capital/School Capital Allocations - this represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets.

Local Authority funding - income received from the Local Authority for a specific capital project completed.

Condition Improvement Fund - income received for specific projects tendered for and completed during the year.

Fixed assets purchased from other restricted grants- This represents fixed assets purchased from other restricted grants.

Transfers made from unrestricted funds to restricted funds have been made to cover the overspend for curriculum school trips. Transfer made from restricted funds to restricted fixed asset funds represent the purchase of fixed assets from revenue funds- GAG. Transfers made from GAG to other restricted funds have been made to cover the overspend of those restricted funds.

**Other Information**

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

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**18. STATEMENT OF FUNDS (CONTINUED)**

**Total funds analysis by Academy**

Fund balances at 31 August 2020 were allocated as follows:

	<b>2020</b>	2019
	£	£
Dobwalls Community Primary School	<b>30,607</b>	57,526
Landulph School	<b>63,861</b>	37,154
Liskeard School & Community College	<b>11,388</b>	(5,330)
Looe Community Academy	<b>205,750</b>	133,658
Saltash Community School	<b>586,248</b>	551,112
Trewidland Primary School	<b>16,108</b>	11,015
Central Business Unit	<b>107,573</b>	174,998
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>1,021,535</b>	960,133
Restricted fixed asset fund	<b>34,504,596</b>	34,346,687
Pension reserve	<b>(7,485,000)</b>	(6,287,000)
	<hr/>	<hr/>
<b>TOTAL</b>	<b>28,041,131</b>	29,019,820
	<hr/> <hr/>	<hr/> <hr/>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL COST ANALYSIS BY ACADEMY**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
Dobwalls Community Primary School	587,116	76,919	93,486	90,289	<b>847,810</b>
Landulph School	270,801	29,501	47,978	32,563	<b>380,843</b>
Liskeard School & Community College	4,588,906	672,680	556,050	550,252	<b>6,367,888</b>
Looe Community Academy	1,878,202	391,654	255,529	189,055	<b>2,714,440</b>
Saltash Community School	4,857,317	607,827	902,877	590,045	<b>6,958,066</b>
Trewidland Primary School	143,646	23,390	17,546	38,457	<b>223,039</b>
Central Business Unit	214,471	282,228	169,801	55,944	<b>722,444</b>
<b>ACADEMY TRUST</b>	<b>12,540,459</b>	<b>2,084,199</b>	<b>2,043,267</b>	<b>1,546,605</b>	<b>18,214,530</b>

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
Dobwalls Community Primary School	507,471	74,181	97,537	91,619	770,808
Landulph School	271,387	25,783	47,939	35,035	380,144
Liskeard School & Community College	4,212,536	617,869	716,936	521,237	6,068,578
Looe Community Academy	1,673,112	400,088	313,594	205,122	2,591,916
Saltash Community School	4,703,822	862,861	920,504	567,180	7,054,367
Trewidland Primary School	127,947	22,738	25,271	39,901	215,857
Central Business Unit	209,174	261,721	37,544	194,161	702,600
<b>ACADEMY TRUST</b>	<b>11,705,449</b>	<b>2,265,241</b>	<b>2,159,325</b>	<b>1,654,255</b>	<b>17,784,270</b>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	296,504	1,052,393	(923,965)	-	-	424,932
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	260,197	14,959,773	(14,663,894)	(114,470)	-	441,606
Start up Grants	13,749	-	(13,749)	-	-	-
Pupil Premium	39,748	858,780	(850,974)	-	-	47,554
PE and Sports Grant	11,551	50,450	(48,843)	-	-	13,158
Local Authority funding	215	531,801	(532,016)	-	-	-
Other government grants	7,199	531,519	(517,562)	-	-	21,156
General	22,689	207,974	(217,066)	-	-	13,597
School trips	3,126	11,185	(16,181)	-	-	(1,870)
Pension reserve	(4,053,000)	-	(588,000)	-	(1,646,000)	(6,287,000)
	<u>(3,694,526)</u>	<u>17,151,482</u>	<u>(17,448,285)</u>	<u>(114,470)</u>	<u>(1,646,000)</u>	<u>(5,751,799)</u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**18. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on joining the Trust	30,556,389	-	(807,911)	-	-	29,748,478
Fixed assets purchased from GAG and other restricted grants	277,025	-	(102,313)	114,470	-	289,182
LA Devolved Formula Capital	53,697	-	-	-	-	53,697
Academy Capital Maintenance Grant	1,747,223	-	(45,996)	-	-	1,701,227
Devolved Formula Capital/ SCA	642,391	723,169	(32,679)	-	-	1,332,881
Other capital grants received	34,586	776	(22,875)	-	-	12,487
Local Authority funding	388,111	411,601	(15,881)	-	-	783,831
Big Lottery	1,899	-	(1,664)	-	-	235
Condition Improvement Fund	429,301	-	(16,953)	-	-	412,348
Purchased from Pupil Premium	12,077	-	(3,387)	-	-	8,690
Purchased from unrestricted funds	5,957	-	(2,326)	-	-	3,631
	<u>34,148,656</u>	<u>1,135,546</u>	<u>(1,051,985)</u>	<u>114,470</u>	<u>-</u>	<u>34,346,687</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>30,454,130</u>	<u>18,287,028</u>	<u>(18,500,270)</u>	<u>-</u>	<u>(1,646,000)</u>	<u>28,594,888</u>
<b>TOTAL FUNDS</b>	<u><u>30,750,634</u></u>	<u><u>19,339,421</u></u>	<u><u>(19,424,235)</u></u>	<u><u>-</u></u>	<u><u>(1,646,000)</u></u>	<u><u>29,019,820</u></u>

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	33,197,046	<b>33,197,046</b>
Current assets	368,251	2,154,408	1,418,777	<b>3,941,436</b>
Creditors due within one year	-	(1,501,124)	(111,227)	<b>(1,612,351)</b>
Provisions for liabilities and charges	-	(7,485,000)	-	<b>(7,485,000)</b>
<b>TOTAL</b>	<b>368,251</b>	<b>(6,831,716)</b>	<b>34,504,596</b>	<b>28,041,131</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	33,294,572	33,294,572
Current assets	424,932	2,061,811	1,052,115	3,538,858
Creditors due within one year	-	(1,526,610)	-	(1,526,610)
Provisions for liabilities and charges	-	(6,287,000)	-	(6,287,000)
<b>TOTAL</b>	<b>424,932</b>	<b>(5,751,799)</b>	<b>34,346,687</b>	<b>29,019,820</b>



**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**20. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2020 £	2019 £
Net expenditure for the period (as per Statement of Financial Activities)	<b>(627,689)</b>	(84,814)
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>1,089,345</b>	1,051,986
Capital grants from DfE and other capital income	<b>(1,056,113)</b>	(1,135,546)
Interest receivable	<b>(1,263)</b>	(4,058)
Defined benefit pension scheme cost less contributions payable	<b>727,000</b>	468,000
Defined benefit pension scheme finance cost	<b>120,000</b>	120,000
(Increase)/decrease in stocks	<b>(924)</b>	2,928
(Increase)/decrease in debtors	<b>347,492</b>	266,559
(Decrease)/increase in creditors	<b>85,741</b>	(211,697)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>683,589</b>	473,358

**21. CASH FLOWS FROM INVESTING ACTIVITIES**

	2020 £	2019 £
Dividends, interest and rents from investments	<b>1,263</b>	4,058
Purchase of tangible fixed assets	<b>(991,819)</b>	(871,240)
Capital grants from DfE and other capital income	<b>1,056,113</b>	1,135,546
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<b>65,557</b>	268,364

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2020 £	2019 £
Cash at bank and in hand	<b>3,232,767</b>	2,483,621

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**23. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	2,483,621	749,146	3,232,767
	<u>2,483,621</u>	<u>749,146</u>	<u>3,232,767</u>

**24. CAPITAL COMMITMENTS**

	2020 £	2019 £
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	<u>252,708</u>	<u>19,342</u>

**25. 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 Cornwall Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £204,463 were payable to the schemes at 31 August 2020 (2019 - £163,270) 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.

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

---

**25. PENSION COMMITMENTS (CONTINUED)**

**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 £1,790,972 (2019 - £1,240,867).

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

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

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £856,000 (2019 - £736,272), of which employer's contributions totalled £678,000 (2019 - £552,050) and employees' contributions totalled £ 178,000 (2019 - £184,221). The agreed contribution rates for future years are 15.4 per cent for employers and 5.5-12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>2.20</b>	2.40
Rate of increase for pensions in payment/ inflation	<b>2.20</b>	2.30
Discount rate for scheme liabilities	<b>1.70</b>	1.80

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**25. PENSION COMMITMENTS (CONTINUED)**

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

	<b>2020</b>	2019
	<b>Years</b>	Years
<i>Retiring today</i>		
Males	<b>21.4</b>	21.1
Females	<b>23.6</b>	23.6
<i>Retiring in 20 years</i>		
Males	<b>22.3</b>	22.3
Females	<b>25.1</b>	25.0

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

	<b>2020</b>	2019
	<b>£</b>	£
Equities	<b>6,183,000</b>	6,053,000
Gilts	<b>3,975,000</b>	4,454,000
Property	<b>662,000</b>	799,000
Cash and other liquid assets	<b>221,000</b>	114,000
<b>Total market value of assets</b>	<b>11,041,000</b>	11,420,000

The actual return on scheme assets was £(1,022,000) (2019: £1,244,000).

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

	<b>2020</b>	2019
	<b>£</b>	£
Current service cost	<b>(1,405,000)</b>	(1,147,000)
Past service cost	-	(16,000)
Interest income	<b>212,000</b>	273,000
Interest cost	<b>(332,000)</b>	(393,000)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(1,525,000)</b>	(1,283,000)

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

**25. PENSION COMMITMENTS (CONTINUED)**

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

	2020 £	2019 £
<b>At 1 September</b>	<b>17,708,000</b>	13,417,000
Current service cost	<b>1,405,000</b>	1,147,000
Interest cost	<b>332,000</b>	393,000
Employee contributions	<b>178,000</b>	184,000
Actuarial losses/ (gains)	<b>(883,000)</b>	2,617,000
Benefits paid	<b>(214,000)</b>	(66,000)
Past service costs	-	16,000
<b>At 31 August</b>	<b>18,526,000</b>	17,708,000

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

	2020 £	2019 £
<b>At 1 September</b>	<b>11,421,000</b>	9,364,000
Interest income	<b>212,000</b>	273,000
Actuarial gains	<b>(1,234,000)</b>	971,000
Employer contributions	<b>678,000</b>	695,000
Employee contributions	<b>178,000</b>	184,000
Benefits paid	<b>(214,000)</b>	(66,000)
<b>At 31 August</b>	<b>11,041,000</b>	11,421,000

**26. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
<b>Amounts payable:</b>		
Not later than 1 year	<b>33,635</b>	39,049
Later than 1 year and not later than 5 years	<b>50,797</b>	40,851
	<b>84,432</b>	79,900

**SOUTH EAST CORNWALL MULTI ACADEMY REGIONAL TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

---

**27. 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.

**28. GENERAL INFORMATION**

South East Cornwall Multi Academy Regional Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Liskeard School and Community College, Luxstowe, Liskeard, Cornwall, PL14 3EA.

**29. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

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

**30. AGENCY ARRANGEMENTS**

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2020 the Trust received £26,456 and disbursed £19,507 from the fund. An amount of £6,949 is included in other creditors relating to undistributed funds that is repayable to ESFA.