

**Company Registration Number: 07700728 (England & Wales)**

**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**KENILWORTH MULTI ACADEMY TRUST  
(A Company Limited by Guarantee)**

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

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<b>Members</b>	S Croft S Casey H Higson S Edmonds S Morales	Resigned 28 October 2020 Resigned 15 May 2020 Appointed 6 July 2020 Appointed 28 October 2020
<b>Trustees</b>	A Barry H Abbott (Executive Headteacher & Accounting Officer) S Casey M Clements-Wheeler (Chair of Trustees) R Hales (Vice-Chair) P Harris L Miller A Milne P Shaw R Ward S Whiting	Appointed 18 November 2020  Resigned 15 May 2020 Appointed 25 June 2020  Appointed 6 July 2020 Appointed 6 July 2020 Appointed 6 July 2020
<b>Company name</b>		Kenilworth Multi Academy Trust
<b>Company Registered Number</b>		07700728
<b>Principal and Registered Office</b>		Leyes Lane Kenilworth Warwickshire Kenilworth CV8 2DA
<b>Senior Management Team</b>	<ul style="list-style-type: none"><li>• Executive Headteacher and Accounting Officer</li><li>• The Westwood Academy Head of School</li><li>• Director of Finance and Business Operations</li><li>• Chief Financial Officer</li></ul>	H Abbott H Lawrence S Arnold (Resigned 26 June 2020) S Mitchell (Appointed 27 June 2020 – Resigned 27 September 2020) C Symonds (Appointed 28 September 2020)
<b>Independent Auditor</b>		MHA MacIntyre Hudson 11 Merus Court Meridian Business Park Leicester LE19 1RJ
<b>Bankers</b>		Lloyds Bank PO Box 100 Andover BX1 1LT

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

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**Solicitors**

Stone King  
13 Queen Square  
Bath  
BA1 2HJ

Knights PLC  
Midland House  
West Way  
Bottley  
Oxford  
OX2 0PH

Pinsent Masons LLP  
55 Colmore Row  
Birmingham  
B3 2FG

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

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The Trustees present their Annual Report together with the Financial Statements and Auditor's Report of the charitable company for the year 1 September 2019 to 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust runs two Academy schools in the West Midlands: The Westwood Academy in Coventry with 675 students on roll and Kenilworth School and Sixth Form with 1,863 students on roll in Warwickshire.

During the year ended 31 August 2020, the Trust was issued with a Financial Notice to Improve by the EFSA, identifying areas of financial management weakness, where improvements to the monitoring structure and financial reporting were required. The Trust has put into action the majority of the recommendations and is continuing to address these issues.

### **Structure, Governance and Management**

#### **Constitution**

The Academy Trust was originally incorporated as The Westwood Academy Trust on 11 July 2011. On 1 January 2019, Kenilworth School and Sixth Form joined the Academy Trust and the Trust changed its name to The Kenilworth Multi Academy Trust.

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Kenilworth Multi Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Kenilworth Multi Academy Trust and is also known as Kenilworth School and Sixth Form and as The Westwood Academy.

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

#### **Members' liability**

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

#### **Trustees' indemnities**

Trustees benefit from indemnity insurance provided by the Department for Education and the Risk Protection Arrangement (RPA), 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 Academy Trust. The element relating to Trustee indemnity insurance cannot be separately identified and the cover is £10million.

#### **Method of recruitment and Policies adopted for the induction and training of Trustees**

The Articles provide for a maximum of 11 Trustees to be appointed by Members who serve for a term of four years. Subject to being eligible, Trustees may be reappointed for further terms. Provision exists within the Articles for co-opted Trustees, who may serve for such term as the Trustees see fit provided that such a term does not exceed four years and that co-option does not cause the number of Trustees employed by the Trust to exceed one third.

There are currently:

- 1 Trustee appointed by virtue of their role (this eligibility for appointment approved by members);
- 8 Trustees appointed by members: and
- 1 Trustee co-opted by Trustees.

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

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Trustees are recruited against a role description and person specification for their demonstrable ability to meet the level of knowledge, skills and experience set out. The person specification(s) are determined by the Trustees after self-review and discussion of the governance needs of the Trust. The Trust uses search and recruitment services such as Academy Ambassadors and other organisations as well as open advertisements. Trustees are normally appointed by members but may also be co-opted by Trustees where a very specific skill set is needed for a particular aspect of the Trust's strategy. In all cases, prospective Trustees undergo a series of checks before they are appointed.

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

New Trustees spend time with the Chair and Executive Headteacher when they are briefed on key Trust documents such as the Scheme of Delegation, the online governance portal, Trust policies and the key current issues and projects of the Trust. The Trust subscribes to sector-specific training and support packages which Trustees are encouraged to access to enhance their knowledge and skills.

A Trustee's term of office is as follows:

- 4 years for Trustees appointed by members.
- Whilst in post for the ex officio Executive Headteacher; and
- As agreed by Trustees for co-opted Trustees.

**Organisational Structure**

The Trust has a Board of Trustees that meets as a full board. The Articles of Association permit the Trustees to appoint committees to be known as local governing boards for each Academy and to establish any other committee that the Trustees deem is required. Subject to the Articles, the arrangements for committees are for the Trustees to determine. The Articles require that the establishment, terms of reference, constitution and membership of and sub-committees are reviewed annually. The Trustees did this during the 12 months to 31 August 2020.

The Board of Trustees currently has the following committees:

- Finance and Audit Committee.
- Human Resources and Remuneration Committee (set up September 2020); and
- Site Relocation Committee (Set up September 2020 - which is a task and finish Committee dealing exclusively with issues relating to the relocation of Kenilworth School and Sixth Form to its new site in 2023).

It has a Local Board for each school which is constituted as a sub-committee to the Board of Trustees. Each is charged with monitoring outcomes and standards at its school.

The Executive Head Teacher meets with the Head of School at The Westwood Academy, the senior educational leaders and the senior leaders within the Trust, regularly to promote joint working and the delivery of the Trust's strategic aims.

Together they review and propose policies and practices, making recommendations to the Trustees. The organisational structure of the organisation reflects the current operational needs whilst being scalable to support future development, primarily the route towards exiting the Financial Notice to Improve and ensuring excellent quality of teaching across both schools. Governance and decision making at all levels is in accordance with the formal Scheme of Delegation, which was reviewed during the year.

The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels whilst maintaining accountability.

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

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**Arrangements for setting pay and remuneration of Key Management Personnel**

All staff are subject to a robust performance management process which governs pay and awards in the year ended 31 August 2020. The CEO is held to account by the Board of Directors. A new executive pay policy was adopted in May 2020 outlining the process that by which key management personnel would be reviewed and remunerated. This Trust Board has delegated the management and the administration of this policy to the HR and Remuneration Committee, with any decisions being ratified by the Trust Board.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
2	2

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	2
1%-50%	N/A
51%-99%	N/A
100%	N/A

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	£3,244
Provide the total pay bill	£11,614,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.03

**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	N/A
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**Related Parties and other connected Charities and Organisations**

The Kenilworth Educational Trust, a registered charity, was set up prior to the Kenilworth Multi Academy Trust as part of the parent fundraising for the Kenilworth School and Sixth Form. This is in the process of being closed, as there have been no transactions in the 2019/2020 financial year.

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

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

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**Engagement with employees**

The Academy Trust has good communication processes in place and key messages are communicated to colleagues in schools via the Heads of each school. Senior leaders at each school meet regularly with staff to listen to their views. Staff input is sought by the Local Boards of each school and key policies are discussed in advance with senior leaders prior to implementation, in order to ensure employee views are sought and considered.

Much work has been started in 2020 to develop the framework around which we engage with, and improve, Trust-wide communication with colleagues. The Board have commissioned support to review the operations of the Trust, in partnership with the schools, and will be delivering improved consistent HR documentation to support key messaging. During 2020/21, additional retained support will be engaged to facilitate greater joined up working across the Trust, both in educational and operational areas.

A re-brand of the Trust is scheduled for early 2021 to create a more consistent, engaging brand identity for the Trust, to be able encourage colleagues to be aware of the whole organisation's performance.

Our schools have made appropriate provision for disabled persons. The Academy Trust does not accept any discrimination of any nature, and we positively encourage applications from disabled persons. We recognise that every individual has skills which could be valuable to our continued journey, and we will do everything reasonable to support colleagues who become disabled, including offering support for training and career development of affected colleagues. Disability is not a factor when we consider promotions or performance appraisal.

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

The Trust actively encourages engagement with local businesses and suppliers to the Trust. A variety of communication methods, i.e., email, audits, policies, and site-based meetings. Particularly in 2020, throughout COVID-19 restrictions the Trust has worked very closely with all stakeholders and suppliers, ensuring employees' safety is maintained in line with government guidelines.

**Objectives and activities**

**Objects and aims**

We are proud of our schools, where we aim to provide an excellent all-round education, giving all young people the confidence to be successful and make progress. Learning is at the heart of the Trust and our curriculum provision will be personalised, inclusive and adapted to meet the needs of all learners. All students will do well, irrespective of their prior attainment and socio-economic profile.

The curriculum and co-curriculum provision will stimulate a passion for independent learning and the development of broader life skills, as well as embracing academic skills. All students will be supported, and their differences will be recognised, respected and valued. Students will be encouraged to reflect on issues that are important to them and to articulate their opinions and to use all learning opportunities to become more reflective, resilient and resourceful in coping with the ever-changing pressures on them.

Our schools are at the heart of their communities, serving the needs of young people living in their localities and acting as a hub for the benefit of the community.

We will use the strengths and expertise throughout our schools to provide excellent Continuing Professional Development (CPD) opportunities for all staff leading to sustained improvement in student outcomes across the Trust. We will build on nationally awarded accreditations within our schools (Teaching School, School Direct, World Class School, Quality Inclusion Mark, National Support School, National Leader of Education, National Leader of Governance) to develop and integrate system leadership school improvement, within and beyond the KMAT.

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**TRUSTEES REPORT (continued)**  
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We are committed to embedding system leadership and school improvement in all our schools and will want to be sure we have the right vision and ethos to bring about positive outcomes for all students when we consider our expansion plans.

**Objectives, strategies and activities**

The principal objective of the KMAT is to provide an excellent all-round education to meet the needs of all young people between the ages of 11 and 18. Our vision for the KMAT, 'Aspiring to Excellence', sets out broad aims to which all academies aspire. The curriculum and co-curriculum provision developed broader life skills, as well as embracing academic skills. School Improvement is an ongoing priority in both academies within the Trust and we aim to provide excellent continuing development for all staff across the Trust. The vision of the KMAT is to embed system leadership.

The common strategies across both Academies in the Trust have been to achieve the above aims through the following means:

- Widening the provision in curriculum offer for students; there is a joint A Level offer for students at Westwood Academy, joining classes run at at Kenilworth School and Sixth Form.
- Development of continuing professional development for teachers by offering shared training and joint quality assurance.
- Creation and approval of working KMAT policies to work towards compliance with the Academies Financial Handbook.
- Alignment of contracts for both Academies and common procedures for parity and efficiency.
- The following activities, in relation to the above strategies, have been achieved and recorded in the minutes of Trust Board meetings:
  - Students of A level at Westwood Academy are following courses at Kenilworth Sixth Form, offering enhanced careers advice and guidance and an enrichment curriculum. This has enabled increased numbers of students staying within the KMAT across both schools beyond 16. Open Evenings, Primary School Transition visits and other marketing events with the KMAT profile during the year have resulted in increasing numbers of students aged 11 joining Westwood Academy. Number of students on roll in both Trust schools has increased in 2019/20, compared with the previous year.
- Teachers from both Academies have worked together to share good practice across the curriculum and planned joint activities in literacy. Teachers across the KMAT have gained training experience in supporting new entrants to the profession; and
- A number of contracts have been renewed for both Academies within the KMAT: Catering, Sickness Insurance and Wellbeing Scheme for staff and ICO for GDPR.

**Public benefit**

The Board of Trustees have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

The Academy Trustees confirm that they have referred to the Charity Commission's guidance on Public Benefit when reviewing the Academy Trust's aims and objectives and in planning future activities for the year.

**Strategic report**

**Achievements and performance**

2019/20 has been a challenging year for all, not just schools. What stands out is the pride I have in the manner in which our students have conducted themselves, and the selfless efforts of colleagues, in a year like no other.

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**TRUSTEES REPORT (continued)**  
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Notwithstanding the impact of COVID-19, our students have excelled once again, and our Centre Assessed Grades issued in the summer have been the highest performing results that we have had as a Trust. That there will be no performance tables, or formal recognition of the cohort's results is understandable given the national context, but our pride in our students' work cannot and will not be diminished. They deserve every accolade and all of our support for the future.

The onset of the national lockdown on 20 March 2020 meant that we had to reimagine the way that we deliver education in short order. The two schools in the Trust moved to a model of online tuition as quickly as we could, whilst ensuring pastoral care and support was available to those who needed it.

Aside from educational outcomes, 2019/20 has been a year with challenges for the Trust, which we are overcoming. The Trust was issued with a Financial Notice to Improve in June 2020 for two issues: entering into contractual commitments for the acquisition of land related to the relocation of Kenilworth School plus the disposal of land for the same purpose. And also, the Trust did not submit the 2018/19 financial statements and auditor's management letter by the due date of 31 December 2019 and its annual accounts return by 20 January 2020.

These are largely administrative errors and there was no impact on students' learning. However, we recognise that our practice has been less than ideal and have committed as a Board to ensuring that we act as a beacon of best practice in the future.

The Trustees are pleased to report that proper approval has now been received and all statutory returns have been made.

The majority of the conditions imposed upon us in the Financial Notice to Improve have now been met, and we continue to enjoy a good working relationship with colleagues at the DfE and the ESFA as we move through this process.

There have been several changes to those engaged with our governance over the course of the year. Our Members have been strengthened by new additions, and by exercising more influence over the response to the issues above. Directors have been sought with experience in supporting Trusts and are adding immense value to our Board, and we have contracted appropriate support to initially resolve key financial issues with the appointment of an interim CFO, followed by a permanent CFO, but also on a wider operational base through the 2020/21 year.

In line with national guidance internal end of year assessments or judgements on performance are not being used to monitor performance on schools, and therefore we repeat below the 2019 information in the KPIs below.

Neither of our schools received an Ofsted inspection in the year and therefore our ratings remain unchanged. The Westwood Academy is classed as a Good school, and Kenilworth School is classed as Outstanding. Further, Kenilworth has received the World Class designation.

### **Key performance indicators**

#### **KS5 - Results**

Measure	The Westwood Academy		Kenilworth School	
	2019	2020	2019	2020
A*	n/a	<b>0</b>	8.8	<b>13.1</b>
A*- A	n/a	<b>6.1</b>	33.1	<b>38.1</b>
A* - B	n/a	<b>39.4</b>	65.7	<b>67.1</b>
A* - C	n/a	<b>78.8</b>	87.3	<b>89.9</b>
A* - E	n/a	<b>100.0</b>	99.7	<b>100</b>
AAB in 2 x Facilitating	n/a	<b>9.0</b>	18.7	<b>22.2</b>
APS	n/a	<b>32.1</b>	38.2	<b>40.8</b>

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

**KS4 – Results**

	TWA 2019 %	TWA 2020 %	KS 2019%	KS 2020%
<b>Basics Grade 9-4 (Standard Pass)</b>				
Students Achieving 9-4 in English and Maths	51.0	<b>61.0</b>	83.2	<b>86</b>
Students Achieving 9-4 in English	72.8	<b>69.5</b>	85.3	<b>90</b>
Students Achieving 9-4 in Maths	59.2	<b>73.3</b>	88.4	<b>89.7</b>
<b>Basics Grade 9-5 (Strong Pass)</b>				
Students Achieving 9-5 in English and Maths	33.0	<b>41.0</b>	66.4	<b>69.7</b>
Students Achieving 9-5 in English	53.4	<b>51.4</b>	75.0	<b>74.9</b>
Students Achieving 9-5 in Maths	37.9	<b>50.4</b>	76.4	<b>75.6</b>
<b>Basics Grade 9-7</b>				
Students Achieving 9-7 in English and Maths	6.0	<b>10.0</b>	24.7	<b>28.0</b>
Students Achieving 9-7 in English	12.3	<b>13.3</b>	35.3	<b>39.9</b>
Students Achieving 9-7 in Maths	13.3	<b>17.1</b>	40.8	<b>41.3</b>
<b>Basics Grade 9</b>				
Students Achieving Grade 9 in English Language	1.0	<b>1.9</b>	4.1	<b>5.9</b>
Students Achieving Grade 9 in English Literature	0.0	<b>1.9</b>	3.4	<b>6.6</b>
Students Achieving Grade 9 in Maths	4.7	<b>4.7</b>	7.9	<b>7.7</b>
<b>EBacc Total Measure</b>				
Students Entered For the EBacc	21.9	<b>20.0</b>	54.1	<b>46.5</b>
Students in COHORT Achieving the EBacc (Standard Pass)	8.7	<b>17.1</b>	48.0	<b>42.4</b>
Students in COHORT Achieving the EBacc (Strong Pass)	5.7	<b>10.4</b>	37.0	<b>34.3</b>
<b>Attainment 8 Measure</b>				
Average Total Attainment 8 Score	41.1	<b>45.2</b>	58.5	<b>529.3</b>
Average Attainment 8 Score	4.1	<b>4.5</b>	5.9	<b>5.9</b>

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

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**Going concern**

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The Board of Trustees recognises that going concern is not just a form of words used once a year in the annual financial statements but needs to be a sustaining ethos across the Trust. Pupil numbers are buoyant at all schools within the Trust. Reserves, whilst declining, are reasonable across the Trust as a whole at £49,225k. Cash flow forecasts are adequate, and both schools can meet liabilities as they fall due.

Whilst Covid has had an unprecedented impact on the way schools have run during the last year, we are largely grant funded and have continued to receive funding during the pandemic at confirmed levels. The Trust has seen a reduction in budgeted non-grant income, for example through the cancellation of lettings but the Trust also experienced savings during the same period in terms of reduced operating costs, notwithstanding the additional costs required to ensure that the sites could operate in line with safety precautions for Covid. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Promoting the success of the Company**

The Trustees have a legal duty to act in a way which they consider, in good faith to promote the success of the Company in achieving its objectives. At the KMAT, we are proud of our achievements and the positive reputation this has generated among our stakeholders.

We at KMAT reflect, learn and develop our practices to ensure that we are always building upon previous success and managing out any weaknesses. The Trust has a strategic plan which guides both short and long-term decision making and prioritises the use of resources. This strategy supports the values of the trust to the benefit of all stakeholders. The Trust has developed policies which will provide a considered approach during the following year towards the successful delivery of the strategic aims. These policies are consulted on prior to adoption and aim to ensure that KMAT continues to be a collaborative trust that delivers high standards.

**Financial review**

Over 92.8% of the Trust's income is derived from central government grants to support its educational objectives, broadly based on pupil numbers attending the two schools within the Trust. The Trust has delivered a £28k revenue deficit during the year (after pension & fixed assets funds movements have been excluded) and continues to maintain reserves at both an operating and strategic level in line with the reserves policy. This is despite the negative financial impact of COVID-19. Despite this, the Trust continues to maintain reserves at both an operational and strategic level in line with the Reserves Policy.

**Reserves policy**

The Board of Trustees reviews reserve levels of the Trust annually at year end and as part of budget planning. The review of both income and expenditure and the need to match income with commitments to maintain reserves. Trustees determine what the level of uncommitted reserves should be and therefore forms the reserves policy. Aiming to provide sufficient working capital to cover delays between spending and the receipt of grants and the ability to deal with unexpected emergencies.

Trustees review the forecasted impact of planned activities on the reserves as part of the regular monitoring through the Finance and Audit Committee. During the year 2019/20 reserves did not fall below a level that the Trustees were content with. As part of the review of financial planning, and in light of the relocation project finances, Trustees have determined the approach to the management of reserves that needs to be implemented. This will include adoption of a formal policy which will reflect a change in balances in reserves due to the sale of both Kenilworth School Sites in 2021; making it easier for stakeholders to judge the performance of the Trust against a newly stated policy.

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**TRUSTEES REPORT (continued)**  
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The Trustees expect the Trust to hold contingency reserves and to carry forward a prudent level of resources, designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies.

At 31 August 2020 the total funds comprised:

	<b>£'000</b>
Unrestricted	485
Restricted:	
Fixed asset funds	55,938
Pension reserve	(7,357)
Other	159
	<hr/>
	<u>49,225</u>

Under accounting standard FRS102 the Trust is required to charge projected deficits on the Local Government Pension Scheme (LGPS) to a specific restricted reserve. As at 31 August 2020 the LGPS liability was £7.357m. This has increased from £5.671m in the previous year due to both the movement in fund values during the year and actuarial judgements on liabilities.

A surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Academy Trust in the form of an increase or decrease in employer's pension contributions over a period of years.

#### **Investment policy**

The Trust does not consciously make investments or manage any cash surpluses in a way that could carry a risk. Consequently, any current account balances above a threshold level are placed in a recognised bank's higher interest deposit account until required. The overall policy position being to obtain the best interest rates consistent with the requirements for stability and pro-active customer service from the bank(s) in question.

#### **Financial performance**

Most of the Academy Trust's income is obtained from the Department for Education in the form of recurrent grants, the use of which is restricted to specific purposes. The grants received and associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Restricted funds for the year ending 31 August 2020 show a deficit of £1,608k (2019: £3,517k), this includes a pension movement of £1,298k (2019: £1,131k). When the pension movement is removed a deficit of £310k on restricted funds in the year. Closing restricted income funds excluding pension total £159k at 31 August 2020 (2019: £81k). Total unrestricted funds were £485k (2019: £479k).

#### **Principal risks and uncertainties**

The Risk Management Strategy is to control and mitigate risks wherever possible. All risks are scored, RAG rated, and specific mitigation steps agreed.

Trustees consider key risks relate to compliance failures, reputational decline and financial efficiency. For each risk control measures have been agreed and actions to mitigate the risk have been determined. The Trust has implemented a Risk Management Strategy and a Risk Management Policy. It has established a risk register which is reviewed and updated annually.

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**TRUSTEES REPORT (continued)**  
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Risks have been assigned to five categories, plus COVID-19. These are shown below with the principal risk(s) in each identified:

- Strategic Risk;

At the time of writing, the requirement to deliver effective remote learning is a risk the Trust is actively managing via the implementation of live lessons and support in academies for vulnerable students and children of key workers, monitoring the attendance of students and carrying out safeguarding checks on a regular basis with referrals to agencies where appropriate and the implementation of a programme of quality assurance activities. This is deemed a short, medium and long-term risk given the lasting impact on students in our schools.

The Trustees have identified risk relating to the sustainability of MAT central services in a 2-school Trust. This is being managed via a review of budgets (using ICFP methodology) and considered changes to both out-sourced services and in-house provision of business and school improvement services.

- People Risk;

The loss of key personnel and failure of the Trust to maintain the skillset of our workforce. To this end, the Trust is reviewing its HR procedures including reward and recognition strategies and support packages for well-being. The Trust will use the CPD and training knowledge developed during KSSF's period as a Teaching School to build KMAT as an employer of choice in Coventry and Warwickshire area.

- Financial Risk;

Financially, the Trust is reliant on continued government funding; 93% of the Income of the Trust is Government funded, and whilst this is expected to continue, there is no assurance that government policy or practice will remain the same or that public funding will continue at the same level and on the same terms.

The Financial Notice to Improve provides a significant risk to the Trust in terms of future and control. This is mitigated by delivery to date against the action plan and our active engagement with the ESFA.

- Regulatory/Reputational Risk;

The continuing reputational success of the Trust is dependent on each Academy delivery strong outcomes for students, supporting them to access appropriate pathways when they leave. The success and reputation of the academies within the local communities are reviewed and closely monitored by the Trustees and the local governing bodies.

The Trust is aware of the reputational risk of building on green-belt land and the overall environmental impact of the Trust's activities. Green technologies and strategies to 'nudge' behavioural change by users of our Trust sites (students, staff, and visitors) are actively considered and designed into projects where costs permit.

- Operational Risk;

The management of the Trust's £56m site relocation project poses a number of significant risks as a capital project of this size could potentially become a distraction from our core education purpose. To avoid student-focused resources/personnel being diverted to this, robust project management arrangements are in place and the Trust has engaged a dedicated senior manager with local authority capital project management experience to lead the Trust's client-side element of this project.

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**KENILWORTH MULTI ACADEMY TRUST  
(A Company Limited by Guarantee)**

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

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- Specific risk relating to COVID-19  
COVID-19 has presented the Trust with the number of challenges and as the guidance evolves and changes, the schools are adapting and reacting appropriately. Schools within the Trust remained open initially to key workers and vulnerable children and reopened to all pupils at the start of the new academic year. COVID-19 risks have been noted, and the appropriate regulatory returns have been completed and submitted. Risk assessments for both academies have been updated and are posted on the respective websites.

**Fundraising**

Funding for the operation and activities of the schools is provided in the main by Government or other grants. There are minimal fundraising activities carried out and are minor in nature and carried out within each school community to raise funds for an activity within the school. The Academy Trust has a contract with Gifted Philanthropy to provide consultancy and advice in connection with our fundraising campaign for the new school building project.

Due to the impact of COVID-19, and the issues of the financial notice to improve, this has had minimal impact this year and Trustees expect to see an increase in the success of this contract in the coming twelve months.

**KENILWORTH MULTI ACADEMY TRUST  
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**TRUSTEES REPORT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2020**

**Streamlined energy and carbon reporting**

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 – 31 August 2020	
Energy consumption used to calculate emissions (kWh)	1,174,315
<u>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</u>	
1. Gas consumption	104.8
2. Owned transport – Minibuses	44.8
Total scope 1	149.6
<u>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</u>	
Purchased electricity	137.45
<u>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</u>	
Business travel in employee-owned vehicles	28.2
Total gross emissions in metric tonnes CO <sub>2</sub> e	<b>315.25</b>
<u>Intensity Ratio</u>	
Tonnes CO <sub>2</sub> e per pupil	0.13
<u>Qualification and Reporting Methodology</u>	
<ul style="list-style-type: none"> <li>We have followed the 2019 HM Government 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.</li> </ul>	
<u>Intensity Measurement</u>	
The chosen intensity measurement ration is total gross emissions in metric tonnes CO <sub>2</sub> e per pupil, the recommended ratio for the sector.	
<u>Measures taken to Improve energy efficiency</u>	
The Financial year 2019/20 is a different year to many other, as the school premises were closed to the students from March 2020 to Sept 2020 due to the Coronavirus Pandemic. This has led to fewer miles being driven between sites for both the minibuses transporting students between the schools within the MAT and teachers travelling between Kenilworth School and the Sixth Form building.	
We have assumed all employee-owned vehicles are medium sized diesel vehicles.	

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**KENILWORTH MULTI ACADEMY TRUST**  
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**TRUSTEES REPORT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Plans for future periods**

Governance:

Given the challenges of this year the Board of Trustees is also focussed on ensuring that we prove compliance, rapidly, with all areas of the Financial Notice to Improve. We have appointed an interim CFO to address the immediate issues, and have now appointed a new permanent CFO, who has joined our central team and is supporting the Trust's continued development. We are investing in improving our governance and operational leadership, - with new Trustees joining the Board, and a new Chair with outstanding experience.

Education:

This is our primary focus. We intend to continue to improve the quality of education and the educational experience offered to all our students. Plans are being put in place for an extended post-16 vocational offer and we want to develop a curriculum fit for the post COVID-19 digital world.

SEND and inclusion strategies are being reviewed to further improve outcomes for all students.

Infrastructure and finance:

Progress is being made on developing a full KMAT budget, identifying a central budget in addition to the individual schools' budgets. The aims are to establish a more collaborative trust structure that is scalable and adaptable as/when the Trust expands. Offering outstanding finance, estates and facilities and administrative support to all. Utilising technology to develop working practices and consistent processes across the Trust; establishing a team that can be effective from any location.

In the period January 2021 to September 2023, the Trust will be building, and then decanting to, a purpose-built £56m campus for an increased student body. As part of this relocation and growth, we will relinquish use of both our Leyes Lane and Rouncil Lane sites.

People and culture:

Our people are our lifeblood. Everything we do and everything we are able to deliver is through the skills and commitment of our workforce. To secure the future success of the Trust, we intend to build Trust-wide culture of the KMAT family through harmonisation of terms and conditions, Trust-wide training and development programmes for teaching and professional services staff.

We intend to build a consolidated, consistent KMAT brand identify which will underpin our culture and demonstrate our values.

**Funds held as custodian on behalf of others**

No funds are held as a custodian Trustee.

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company Directors, and signed on its behalf by:

.....  
**M Clements-Wheeler**  
Chair of Trustees

Date: 28 January 2021

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Scope of Responsibility**

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

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year, with a total of 13 meetings including ones held virtually and the Finance and Audit Board has met 3 times during the year. Whilst the Academies Financial Handbook states that the Board must meet at least 6 times per year, given the size of the Trust, the Board consider this to provide adequate resource to maintain oversight.

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
H Abbott	13	13
S Casey (Resigned 15 May 2020)	8	9
M Clements-Wheeler (Appointed 25 June 2020)	3	3
R Hales	11	13
S Whiting	12	13
R Ward	12	13
P Harris	11	13
L Miller (Appointed 6 July 2020)	1	1
A Milne (Appointed 6 July 2020)	2	2
P Shaw (Appointed 6 July 2020)	0	2

Where Covid-restrictions made a face-to-face meeting impossible, the Board of Trustees met virtually during the year. Those virtual meetings are accounted for in the figures above.

The Trustees have performed a review during the year of their skills and experience and have taken steps to address skills and effectiveness of the Board, including recruiting new Trustees, and establishing a new Scheme of Delegation and Terms of Reference.

As disclosed earlier, the former CFO left the organisation in June 2020 and we moved quickly to appoint an experienced interim CFO whilst a permanent replacement was recruited. This interim arrangement was agreed, and supported by, the DfE/ESFA. The Board's work has been informed and supported by an Schools Resources Management Advisor (SRMA) review carried out during the year and we are ensuring the actions arising from this report are enacted in the coming year.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that the Academy Trust has finance and business systems that are effective to support the teaching and learning within the Academy Trust schools. These systems will follow best practice, minimise risk and get the best value from its available resources.

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**KENILWORTH MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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Attendance at meeting in the year were as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
R Ward	3	3
S Casey (Resigned 15 May 2020)	2	2
P Harris	3	3
R Hales	1	2

In addition, 2 members of Local Governing Boards (one from each school) served as members of the Finance sub-committee during the year. This practice ceased upon the introduction of a revised scheme of delegation during the year.

**Review of value for money**

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

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

The Accounting Officer has ensured Value for Money during the year by engaging fully with the SRMA audit and receiving and accepting the recommendations made in the report.

The Accounting Officer has delivered improved value for money during the year as follows:

- Staffing roles in place to work across the Trust;
- Teacher's performance management and support staff appraisal systems are in place and absence is being monitored to ensure the low staff absence levels re maintained, albeit COVID-19 and the subsequent lockdowns have made this a challenging year;
- Savings have been made where vacancies have not been filled and roles have been reviewed to reduce support staff within the Trust;
- Creative deployment of staff to ensure effective management of hours and mobility across academies;
- Staff are well trained to provide and deliver outcomes and therefore there is a reduced need to use external providers for services; and
- A number of savings have been made against budgeted lines this year due to COVID-19, however, these are offset in other areas where in the provision of safety for staff and students, both equipment and additional cleaning have been procured.

**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 ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in the Academy 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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Capacity to handle risk**

The Trustees have 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 Trustees are of the view that there is a formal ongoing process for identifying, evaluating, and managing the Academy Trust's significant risks, which 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 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. Including:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees (although we recognise that this has been lacking during the last year).
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and is currently tendering for a provider. There was no internal audit provider retained during the 2019/20 year, and we acknowledge the breach of the Academies Financial Handbook in this regard.

Acknowledging the challenges of the 2019/20 reflected in the Audit Report and the FNTI. The Trust has taken steps in the later part of the financial year to address some of the weaknesses and has made some significant changes. An interim consultant was appointed to address some of the most immediate and pressing issues, this has led to the restructure of finance to be a central function covering both school sites. The production of management accounts is underway, whilst still requiring additional analysis have been submitted in a timely manner and to deadlines. the control processes within the finance function have been resolved and the financial processes and procedures have been reviewed and updated.

The weakness that are a feature of the 2019/20 Audit Report are all either addressed or the process of being resolved. Internal audit has been tendered for and the Trustees have planned to appoint.

**Review of effectiveness**

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

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

The production of the SRMA report in March has identified the areas where the Trust needs to focus to enable KMAT to be in line with best practice, which includes staffing modelling on curriculum led basis.

During the latter part of the 2019/20 financial year and following on into 2020/21 the support and challenge in regular meetings with the ESFA has provided useful insight and recommendations to the executive team to develop the reporting ensuring that we meet all the requirements set out in the FNTI.

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**KENILWORTH MULTI ACADEMY TRUST  
(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (continued)  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The Accounting Officer has been advised of the requirements of the Academies Financial Handbook regarding internal scrutiny and is ensuring that the Trust put in place appropriate provisions for 2020/21.

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

.....  
**M Clements-Wheeler**  
Chair of Trustees

Date: 28 January 2021

.....  
**H Abbott**  
Accounting Officer

Date: 28 January 2021

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**KENILWORTH MULTI ACADEMY TRUST  
(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2020**

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As Accounting Officer of Kenilworth Multi Academy Trust, I have considered my responsibility to notify the Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the 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 the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

- Management accounts were not prepared throughout the year ended 31 August 2020; management accounts were only prepared from March 2020 onwards but did not include the required components.
- Internal scrutiny reviews were not undertaken on a timely basis throughout the year:
- Whilst business continuity plans did exist for each individual school during the year, there was no overarching continuity plan at Trust level:
- Supplies totalling £3,602 were supplied to the Trust by a company of which one of the Trustees is a director. The supplies, including the element above £2,500, were not supplied at cost; and
- Dates of appointment of members and their business and pecuniary interests were not disclosed on the Trust website.

Whilst the regularity breaches of the Academies Financial Handbook are disappointing and not the position Kenilworth Multi Academy Trust wishes to be in, we are confident that the work that has already been undertaken will ensure that these are not continued into the 2020/21 financial year.

The management accounts are being produced monthly and have been submitted to the ESFA by the required deadline every month. The focus is to further improve the quality of reporting in line with the Trust Board and the ESFA expectations.

Internal Audit has been tendered for and a firm is to be appointed, again improving the internal scrutiny and ensuring all the updated processes and procedures are being followed correctly.

There are business continuity plans in place at each school, however, meeting the requirement for a Trust wide plan is underway and will ensure that the lessons that have been learned through the pandemic are reflected in a wider, fully encompassing plan for the Trust.

The Members details, appointment dates, business interests and pecuniary interests have now been published on the Trust website.

Supplies provided to the Academy's via a related party are to be at cost and will meet the requirements of the Academies Financial Handbook for transactions over £2,500.

Overall, I have confidence that significant progress has been made in the areas where both regulatory breaches and internal weaknesses have been reported for the 2019/2020 financial year.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE (continued)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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.....  
**H Abbott**  
Accounting Officer

Date: 28 January 2021

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**KENILWORTH MULTI ACADEMY TRUST  
(A Company Limited by Guarantee)**

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

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The Trustees (who are also the Governors of Kenilworth Multi Academy Trust and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

.....  
**M Clements-Wheeler**  
Chair of Trustees

Date: 29 January 2021

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KENILWORTH MULTI ACADEMY TRUST**

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**Opinion**

We have audited the financial statements of Kenilworth Multi Academy 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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**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, Directors Report and the Governance Statement the Statement of Regularity, Propriety and Compliance and the Trustees Responsibilities 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 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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**Helen Blundell LLB FCA FCIE DChA (Senior Statutory Auditor)**

for and on behalf of

**MHA MacIntyre Hudson**  
**Chartered Accountants**  
**Statutory Auditors**

Chartered Accountants  
Statutory Auditors  
11 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

Date: 29 January 2021

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

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

**Respective responsibilities of Kenilworth Multi Academy Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Kenilworth Multi Academy Trust's funding agreement with the Secretary of State for Education dated 20 December 2018 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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**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.

The work undertaken to draw our conclusions includes:

- a review of the objectives and activities of the Academy Trust, with reference to the income streams and other information available to us as auditors of the Academy Trust;
- testing of a sample of grants received and other income streams;
- testing of a sample of payments to suppliers and other third parties;
- testing of a sample of payroll payments to staff;
- evaluating the internal control procedures and reporting lines, and testing as appropriate;
- reviewing the Minutes of the meetings of the Board of Trustees and other evidence made available to us, relevant to our consideration of regularity; and
- consideration of governance issues.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**Conclusion**

In the course of our work, except for the matters listed below 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.

**Matter 1 – Monitoring the budget – Management accounts**

During the year the Academy Trust failed to comply with section 2.18 - 2.21 of the Academies Financial Handbook in respect of management accounts and their distribution. Monthly management accounts were not prepared throughout the year ended 31 August 2020, but only from March 2020 onwards and did not include the required components.

**Matter 2 – Internal scrutiny**

During the year the Academy Trust failed to comply with section 3.8, 3.15 and 3.23 of the Academies Financial Handbook, as internal scrutiny reviews were not undertaken on a timely basis throughout the year. Therefore the required oversight on the Trust's internal controls, both financial and other, was not in place throughout the year to provide assurance on financial controls and risks, and no alternative work was documented in the year. There were no internal scrutiny reports and relevant information was not available to the Trustees. Since the year end internal auditors are in the process of being appointed.

**Matter 3 – Business continuity plans**

During the year the Academy Trust failed to comply with section 2.39 of the Academies Financial Handbook as there was no business continuity plan covering the Trust as a whole. Business continuity plans do exist for each individual school.

**Matter 4 – At cost supplies - Related party transactions**

During the year the Academy Trust failed to comply with section 5.54 of the Academies Financial Handbook. Supplies totalling £3,602 were supplied to the Trust by a company of which one of the Trustees is a director. The supplies, including the element above £2,500, were not supplied at cost but the Trust concluded that the supplies were value for money.

**Matter 5 – Business and pecuniary interest – members**

During the year the Academy Trust did not comply with section 2.48 of the Academies Financial Handbook as the dates of appointment of members and their business and pecuniary interests were not disclosed on the Trust website. This has been addressed since the year end.

**Reporting Accountant**

**MHA MacIntyre Hudson**  
**Chartered Accountants**  
**Statutory Auditors**

11 Merus Court  
Meridian Business Park  
Leicester  
LE19 1RJ

Date: 29 January 2021

**KENILWORTH MULTI ACADEMY 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 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Restated total funds 2019 £000
<b>Income from:</b>						
Donations and capital grants	3	-	4	-	4	43,479
Charitable activities	4	-	13,129	50	13,179	9,736
Teaching schools	33	-	148	-	148	6
Other trading activities	5	242	60	-	302	550
Investments	6	1	-	-	1	1
<b>Total income</b>		<b>243</b>	<b>13,341</b>	<b>50</b>	<b>13,634</b>	<b>53,772</b>
<b>Expenditure on:</b>						
Raising funds	7	118	12	-	130	258
Charitable activities	8	-	13,824	1,221	15,045	11,224
Teaching schools	33	-	96	-	96	8
<b>Total expenditure</b>	9	<b>118</b>	<b>13,932</b>	<b>1,221</b>	<b>15,271</b>	<b>11,490</b>
<b>Net income/ (expenditure)</b>		<b>125</b>	<b>(591)</b>	<b>(1,171)</b>	<b>(1,637)</b>	<b>42,282</b>
Transfers between funds	21	(119)	281	(162)	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>6</b>	<b>(310)</b>	<b>(1,333)</b>	<b>(1,637)</b>	<b>42,282</b>
<b>Other recognised gains/(losses):</b>						
Losses on revaluation of fixed assets	16	-	-	(282)	(282)	-
Actuarial losses on defined benefit pension schemes	28	-	(1,298)	-	(1,298)	(1,131)
<b>Net movement in funds</b>		<b>6</b>	<b>(1,608)</b>	<b>(1,615)</b>	<b>(3,217)</b>	<b>41,151</b>

**KENILWORTH MULTI ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000	Total funds 2019 £000
<b>Reconciliation of funds:</b>					
Total funds brought forward	479	(5,590)	57,553	52,442	11,291
Net movement in funds	6	(1,608)	(1,615)	(3,217)	41,151
<b>Total funds carried forward</b>	<b>485</b>	<b>(7,198)</b>	<b>55,938</b>	<b>49,225</b>	<b>52,442</b>

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

The notes on pages 35 to 73 form part of these financial statements.

**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 07700728**

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

	Note	2020 £000	As restated 2019 £000
<b>Fixed assets</b>			
Tangible assets	16	<b>55,345</b>	54,884
		<u>55,345</u>	<u>54,884</u>
<b>Current assets</b>			
Stocks	17	-	12
Debtors	18	<b>1,719</b>	5,198
Cash at bank and in hand	25	<b>1,972</b>	1,195
		<u>3,691</u>	<u>6,405</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	19	<b>(2,454)</b>	(3,176)
		<u>1,237</u>	<u>3,229</u>
<b>Net current assets</b>			
		<u>56,582</u>	<u>58,113</u>
<b>Net assets excluding pension liability</b>			
Defined benefit pension scheme liability	28	<b>(7,357)</b>	(5,671)
		<u>49,225</u>	<u>52,442</u>
<b>Total net assets</b>			
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Restricted fixed asset funds	21	<b>55,938</b>	57,553
Restricted income funds	21	<b>159</b>	81
		<u>56,097</u>	<u>57,634</u>
Restricted funds excluding pension asset	21	<b>56,097</b>	57,634
Pension reserve	21	<b>(7,357)</b>	(5,671)
		<u>48,740</u>	<u>51,963</u>
<b>Total restricted funds</b>	21	<b>48,740</b>	51,963
<b>Unrestricted income funds</b>	21	<b>485</b>	479
		<u>49,225</u>	<u>52,442</u>
<b>Total funds</b>		<u>49,225</u>	<u>52,442</u>

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2020**

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The financial statements on pages 30 to 73 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  
**H Abbott**

Accounting Officer

Date: 29 January 2021

.....  
**M J Clements-Wheeler**

Chair of Trustees

Date: 29 January 2021

The notes on pages 35 to 73 form part of these financial statements.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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	<b>Note</b>	<b>2020</b> <b>£000</b>	As restated 2019 £000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	23	<b>2,740</b>	(1,607)
<b>Cash flows from investing activities</b>	24	<b>(1,963)</b>	2,496
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		<b>777</b>	889
Cash and cash equivalents at the beginning of the year		<b>1,195</b>	306
<b>Cash and cash equivalents at the end of the year</b>	25	<b>1,972</b>	1,195
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 35 to 73 form part of these financial statements

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**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.

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

Kenilworth Multi Academy Trust is a company limited by guarantee incorporated in England and Wales. The address of the registered office, principal place of operation and registered number are detailed on pages 1 and 2. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees Report.

The financial statements are prepared in British Pound Sterling (£), the functional and presentational currency, rounded to the nearest £1,000. There are two prior year adjustments (see note 20).

**1.2 Comparatives**

A review of the categorisation and presentation of certain balances has been undertaken in the current year. As a consequence, a number have balances for the comparative year have been amended in order to reflect a comparable presentation. No amendments to totals within those categories (ie income, expenditure etc) has been made unless specifically identified as a prior year adjustment (see note 20).

**1.3 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.

This consideration has taken into account the expected impact of Covid-19 on the Academy Trust, as far as it can be determined, and the Trustees remain satisfied that the going concern principle remains appropriate.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.4 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 period is deducted from income and recognised as a liability.

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

• **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.

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

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

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.5 Expenditure**

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

- **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.

**1.6 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.

**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.

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

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Freehold property	- 3% -5% straight line
Leasehold land and buildings	- 6.7% - 20% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 33.3% 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 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 includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.9 Debtors**

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

**1.10 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.

**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.

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.12 Provisions**

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

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

**1.13 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 18. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

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

**1.14 Operating leases**

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

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.15 Pensions**

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

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

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

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

**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.

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

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**KENILWORTH MULTI ACADEMY TRUST**  
**(A Company Limited by Guarantee)**

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

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**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 annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 16 for the carrying amount of the tangible fixed assets, and note 1.6 for the useful economic lives for each class of assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 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 judgements that have had a significant effect on the amounts recognised in the financial statements are those concerning the choice of depreciation policies and asset lives.

**KENILWORTH MULTI ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**3. Donations and capital grants**

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Donations	-	4	-	4
Grants	-	-	-	-
Government grants	-	-	-	-
<b>Total 2020</b>	<b>-</b>	<b>4</b>	<b>-</b>	<b>4</b>

	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	As restated Total funds 2019 £000
Donations	1	6	-	7
Capital grants	-	-	4,783	4,783
Transfer in on conversion	121	(1,715)	40,283	38,689
<b>Total 2019 as restated</b>	<b>122</b>	<b>(1,709)</b>	<b>45,066</b>	<b>43,479</b>

**KENILWORTH MULTI ACADEMY TRUST**  
(A Company Limited by Guarantee)

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

**4. Funding for the Academy Trust's educational operations**

	<b>Restricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>
<b>DfE/ESFA grants</b>		
General Annual Grant (GAG)	11,522	<b>11,522</b>
Pupil Premium (ESFA)	344	<b>344</b>
Capital grants (DFC)	50	<b>50</b>
Other DfE/ESFA grants	739	<b>739</b>
	12,655	<b>12,655</b>
<b>Other Government grants</b>		
Local Authority grants	167	<b>167</b>
Pupil Premium (LA)	26	<b>26</b>
	193	<b>193</b>
<b>Other funding</b>		
Other grants	29	<b>29</b>
Trips and parental contributions	283	<b>283</b>
	312	<b>312</b>
<b>Exceptional Government funding</b>		
Coronavirus exceptional support	19	<b>19</b>
	19	<b>19</b>
<b>Total 2020</b>	<b>13,179</b>	<b>13,179</b>

The Academy Trust has been eligible to claim additional funding in the year from Government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "Exceptional Government funding".

The funding received for coronavirus exceptional support covers £19,366 of which £753 are premises costs, £6,728 free school meals and £11,885 catering costs. These costs are included in note 8 below as appropriate.

There are no unfulfilled conditions or other contingencies attached to the other Government grants above.

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	Restated unrestricted funds 2019 £000	Restated restricted funds 2019 £000	Restated total funds 2019 £000
<b>DfE/ESFA grants</b>			
General Annual Grant (GAG)	-	8,412	8,412
Pupil Premium (ESFA)	-	216	216
Capital grants (DFC)	-	174	174
Other DfE/ESFA grants	-	126	126
	-	8,928	8,928
<b>Other Government grants</b>			
Local Authority grants	-	278	278
Pupil Premium (LA)	-	75	75
	-	353	353
<b>Other funding</b>			
Other grants	-	45	45
Trips and parental contributions	26	385	411
	26	430	456
<b>Total 2019</b>	<b>26</b>	<b>9,711</b>	<b>9,737</b>

There are no unfulfilled conditions or other contingencies attached to the other Government grants above.

**5. Other trading activities**

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Hire of facilities	93	-	93
Catering income	32	-	32
Uniform income	87	-	87
Sales of goods and services	29	16	45
Insurance income	-	36	36
Other	1	8	9
<b>Total 2020</b>	<b>242</b>	<b>60</b>	<b>302</b>

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**5. Other trading activities (continued)**

	Unrestricted funds 2019 £000	Unrestricted funds 2019 £000	Total funds 2019 £000
Hire of facilities	88	-	88
Catering income	242	-	242
Uniform income	24	-	24
Sales of goods and services	138	7	145
Insurance income	-	48	48
Other	1	2	3
	<u>493</u>	<u>57</u>	<u>550</u>

**6. Investment income**

	<b>Unrestricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>
Investment income	<u>1</u>	<u>1</u>

	Unrestricted funds 2019 £000	Total funds 2019 £000
Investment income	<u>1</u>	<u>1</u>

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**7. Expenditure on raising funds**

	<b>Unrestricted funds 2020 £000</b>	<b>Restricted funds 2020 £000</b>	<b>Total funds 2020 £000</b>
Catering costs	86	-	<b>86</b>
Uniform costs	24	-	<b>24</b>
Fundraising costs	-	12	<b>12</b>
Catering wages and salaries	6	-	<b>6</b>
Catering national insurance	1	-	<b>1</b>
Catering pension costs	1	-	<b>1</b>
<b>Total 2020</b>	<b>118</b>	<b>12</b>	<b>130</b>

	<b>Unrestricted funds 2019 £000</b>	<b>Total funds 2019 £000</b>
Catering costs	129	129
Uniform costs	6	6
Catering wages and salaries	101	101
Catering national insurance	7	7
Catering pension costs	15	15
<b>Total 2019</b>	<b>258</b>	<b>258</b>

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**8. Analysis of expenditure by activities**

	<b>Direct costs 2020 £000</b>	<b>Support costs 2020 £000</b>	<b>Total funds 2020 £000</b>
Educational operations	11,604	3,441	<b>15,045</b>
	Restated direct costs 2019 £000	Support costs 2019 £000	Restated total funds 2019 £000
Educational operations	8,345	2,879	11,224

**Analysis of direct costs**

	<b>Educational operations 2020 £000</b>	<b>Total funds 2020 £000</b>
Educational supplies	313	<b>313</b>
Examination fees	132	<b>132</b>
Staff development	5	<b>5</b>
Technology costs	5	<b>5</b>
Other direct costs	327	<b>327</b>
Loan interest	23	<b>23</b>
Staff costs	9,578	<b>9,578</b>
Depreciation	1,221	<b>1,221</b>
<b>Total 2020</b>	<b>11,604</b>	<b>11,604</b>

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

**Analysis of direct costs (continued)**

	Restated educational operations 2019 £000	Restated total funds 2019 £000
Educational supplies	283	283
Examination fees	171	171
Staff development	15	15
Technology costs	22	22
Other direct costs	75	75
Staff costs	7,060	7,060
Depreciation	719	719
	<hr/>	<hr/>
Total 2019	8,345	8,345
	<hr/> <hr/>	<hr/> <hr/>

**Analysis of support costs**

	Educational operations 2020 £000	Total funds 2020 £000
Pension finance cost (note 14)	104	<b>104</b>
Technology costs	9	<b>9</b>
Maintenance of premises and equipment	161	<b>161</b>
Cleaning	232	<b>232</b>
Rent and rates	97	<b>97</b>
Energy costs	192	<b>192</b>
Insurance	46	<b>46</b>
Other support costs	567	<b>567</b>
Professional fees	54	<b>54</b>
Governance costs	25	<b>25</b>
Travel and subsistence	8	<b>8</b>
Recruitment and support	6	<b>6</b>
Security and transport	16	<b>16</b>
Staff costs	1,924	<b>1,924</b>
	<hr/>	<hr/>
<b>Total 2020</b>	<b>3,441</b>	<b>3,441</b>
	<hr/> <hr/>	<hr/> <hr/>

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

**Analysis of support costs (continued)**

	Restated educational operations 2019 £000	Restated total funds 2019 £000
Pension finance cost (note 14)	96	96
Technology costs	6	6
Maintenance of premises and equipment	121	121
Cleaning	165	165
Rent and rates	70	70
Energy costs	154	154
Insurance	33	33
Other support costs	645	645
Professional fees	61	61
Governance costs	27	27
Travel and subsistence	23	23
Recruitment and support	40	40
Security and transport	31	31
Staff costs	1,407	1,407
	<hr/>	<hr/>
Total 2019	2,879	2,879
	<hr/> <hr/>	<hr/> <hr/>

**9. Expenditure**

	Staff Costs 2020 £000	Premises 2020 £000	Other 2020 £000	Total 2020 £000
Expenditure on raising voluntary income:				
Direct costs	8	-	122	<b>130</b>
Educational operations:				
Direct costs	9,578	904	1,122	<b>11,604</b>
Allocated support costs	2,028	682	731	<b>3,441</b>
Teaching school	-	-	96	<b>96</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total 2020</b>	<b>11,614</b>	<b>1,586</b>	<b>2,071</b>	<b>15,271</b>
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**9. Expenditure (continued)**

	Restated staff costs 2019 £000	Premises 2019 £000	Restated other 2019 £000	Restated total 2019 £000
Expenditure on raising voluntary income:				
Direct costs	123	-	135	258
Educational operations:				
Direct costs	7,060	569	716	8,345
Allocated support costs	1,503	543	833	2,879
Teaching school	-	-	8	8
<b>Total 2019</b>	<b>8,686</b>	<b>1,112</b>	<b>1,692</b>	<b>11,490</b>

**10. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2020</b> <b>£000</b>	2019 £000
Operating lease rentals	<b>56</b>	43
Depreciation of tangible fixed assets	<b>1,221</b>	719
Fees paid to auditors for:		
- audit	<b>25</b>	18
- other services	<b>14</b>	9

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**11. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2020</b>	2019
	<b>£000</b>	£000
Wages and salaries	<b>8,370</b>	6,491
Social security costs	<b>822</b>	637
Pension costs	<b>2,165</b>	1,302
	<b>11,357</b>	8,430
Agency staff costs and apprenticeship levy	<b>115</b>	122
Staff restructuring costs	<b>38</b>	36
Pension finance cost (note 14)	<b>104</b>	98
	<b>11,614</b>	8,686

Staff restructuring costs comprise:

	<b>2020</b>	2019
	<b>£000</b>	£000
Severance payments	<b>38</b>	36
	<b>38</b>	36

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

Included in staff restructuring costs are non-statutory severance payments totalling £38,000 (2019: £35,892). Individually, the payments were £18,000 and £20,000.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Staff costs (continued)**

**c. Staff numbers**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
Teaching	<b>158</b>	124
Administration and support	<b>106</b>	126
Management	<b>15</b>	17
	<u><b>279</b></u>	<u>267</u>

The comparative staff numbers for 2019 include staff numbers for the full year for Westwood Academy and only 8 months for Kenilworth School from the date of joining the Trust.

**d. Higher paid staff**

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

	<b>2020</b>	2019
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>3</b>	3
In the band £70,001 - £80,000	<b>2</b>	-
In the band £80,001 - £90,000	<b>1</b>	-
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	<b>1</b>	-
	<u><b>1</b></u>	<u>-</u>

For the comparative 2019 bandings, the salary banding for any staff at Kenilworth School reflects only the salary from the date of joining the Trust.

**e. Key management personnel**

The Key Management Personnel of the Academy Trust comprise the Staff Trustees and the Senior Team listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the Academy Trust was £1,257,577 (2019: £1,014,810).

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**12. Central services**

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

- Executive Head
- Chief Financial Officer
- Statutory and regulatory services (including audit).

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

0.5% top slice from GAG funding

The actual amounts charged during the year were as follows:

	<b>2020</b>	2019
	<b>£000</b>	£000
Kenilworth School	<b>41</b>	-
Westwood Academy	<b>16</b>	-
<b>Total</b>	<b>57</b>	-

The Trust is still in the process of fully identifying central costs with a view to adjusting the top slice which is recognised as being below the required level. In the interim costs have been absorbed by Kenilworth School.

**13. Trustees' remuneration and expenses**

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

	<b>2020</b>	2019
	<b>£000</b>	£000
H Abbott (Headteacher and Accounting Officer) Remuneration - Appointed (1 January 2019)	<b>110 - 115</b>	75 - 80
J Benton (Headteacher and Accounting Officer) - (Resigned 31 December 2018)	<b>25 - 30</b>	10 - 15
J Finlayson (Resigned 31 December 2018)	-	30 - 35
Pension contributions paid	-	0 - 5
Remuneration	-	10 - 15
Pension contributions paid	-	0 - 5

During the year ended 31 August 2020, expenses totalling £860 were reimbursed or paid directly to 2 Trustees (2019: £NIL). £816 of reimbursements relating to travel and subsistence and £44 relating to phone charges.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**14. Trustees' and Officers' insurance**

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

**15. Pension finance cost**

	<b>2020</b>	2019
	<b>£000</b>	£000
Interest income on pension scheme assets	<b>213</b>	219
Interest on pension scheme liabilities	<b>(109)</b>	(121)
	<hr/>	<hr/>
	<b>104</b>	98
	<hr/> <hr/>	<hr/> <hr/>

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**16. Tangible fixed assets**

	Freehold property £000	Leasehold land and buildings £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
<b>Cost</b>						
At 1 September 2019	39,340	14,658	2,247	1,158	302	57,705
Additions	-	5	1,934	16	9	1,964
Disposals	-	-	-	(3)	(187)	(190)
Impairment	(282)	-	-	-	-	(282)
At 31 August 2020	<u>39,058</u>	<u>14,663</u>	<u>4,181</u>	<u>1,171</u>	<u>124</u>	<u>59,197</u>
<b>Depreciation</b>						
At 1 September 2019	-	2,232	-	307	282	2,821
Charge for the year	434	570	-	200	17	1,221
On disposals	-	-	-	(3)	(187)	(190)
At 31 August 2020	<u>434</u>	<u>2,802</u>	<u>-</u>	<u>504</u>	<u>112</u>	<u>3,852</u>
<b>Net book value</b>						
At 31 August 2020	<u><u>38,624</u></u>	<u><u>11,861</u></u>	<u><u>4,181</u></u>	<u><u>667</u></u>	<u><u>12</u></u>	<u><u>55,345</u></u>
At 31 August 2019	<u><u>39,340</u></u>	<u><u>12,426</u></u>	<u><u>2,247</u></u>	<u><u>851</u></u>	<u><u>20</u></u>	<u><u>54,884</u></u>

Included in freehold property is freehold land and property valued at £39,040,000 on 1 November 2019 by Avison Young, using the depreciated replacement cost method. This was determined as the fair value on joining the Trust. A £282,000 impairment to the value of the property is included to reflect the valuation.

Leasehold land and buildings are held on a 125 year lease from the freeholder, The Council of the City of Coventry. The leasehold land and buildings were revalued in 2015 on transition to FRS 102 at £3,112,050 and £11,046,150 respectively and was treated as deemed cost.

Assets under construction comprise of capital expenditure in relation to the new build project.

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**17. Stocks**

	<b>2020</b>	2019
	<b>£000</b>	£000
Uniform stock	-	12
	<u>          </u>	<u>          </u>

**18. Debtors**

	<b>2020</b>	2019
	<b>£000</b>	£000
Trade debtors	26	20
Other debtors	1,464	4,774
VAT recoverable	43	129
Prepayments and accrued income	186	275
	<u>          </u>	<u>          </u>
	<b>1,719</b>	5,198
	<u>          </u>	<u>          </u>

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

	<b>2020</b>	2019
	<b>£000</b>	£000
Other loans	1,000	1,000
Trade creditors	362	592
Other taxation and social security	201	380
Other creditors	496	947
Accruals and deferred income	395	257
	<u>          </u>	<u>          </u>
	<b>2,454</b>	3,176
	<u>          </u>	<u>          </u>

	<b>2020</b>	2019
	<b>£000</b>	£000
Deferred income at 1 September 2019	208	21
Resources deferred during the year	124	208
Amounts released from previous periods	(208)	(21)
	<u>          </u>	<u>          </u>
<b>Deferred income at 31 August 2020</b>	<b>124</b>	208
	<u>          </u>	<u>          </u>

At the balance sheet date the Academy Trust was holding funds of £48,000 (2019: £197,000) received in advance for school trips and £76,000 of other income received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Creditors: Amounts falling due within one year (continued)**

Included within other creditors is £250,000 in relation to a deposit paid for the purchase of land which has completed in December 2020.

Other loans consist of £1,000,000 received from Warwick District Council on a 2 year term. Interest is charged at 2.35% per annum. The loan will be payable on the sale of land held by the Academy. The purpose of the loan was to support the build of a new school site for Kenilworth Academy.

**20. Prior year adjustments**

There are two prior year adjustments. The financial statements of Kenilworth Multi Academy Trust have been restated to incorporate the impact of errors in accounting for grant income and depreciation. Certain grant income and depreciation had been previously excluded and the prior year adjustments correct this omission.

A grant from Homes England of £4,773,955 receivable in the year to 31 August 2019 had been incorrectly omitted. The prior year adjustment has increased other debtors by £4,773,955 and has increased capital income by the same amount, with the increase being reflected in the fixed asset reserve.

Land held on long term lease at Westwood academy had not been correctly classified or depreciated since conversion to academy status. The prior year adjustment has separated the freehold and leasehold property, and has increased accumulated depreciation by £201,246 in the Balance Sheet, increased the depreciation charge in the Statement of Financial Activities and has decreased the Fixed Asset Reserve by the same amount. £25,000 of the additional depreciation was reflected in the Financial Statements to 31 August 2019 and £176,246 was reflected in the reserves brought forward at 1 September 2018.

Comparatives have been restated to reflect these prior year adjustments.

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

**21. Statement of funds**

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
<b>Unrestricted funds</b>						
General Funds	479	243	(118)	(119)	-	485
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	11,522	(11,777)	281	-	26
Pupil Premium (DFE)	-	344	(344)	-	-	-
Other DfE/ESFA grants	-	739	(739)	-	-	-
Local Authority grants	-	167	(167)	-	-	-
Pupil premium (LA)	-	26	(26)	-	-	-
Other grants	-	29	(29)	-	-	-
Trips and parental contributions	-	283	(283)	-	-	-
Other donations	-	4	(4)	-	-	-
Other income	-	60	(60)	-	-	-
Exceptional Government funding	-	19	(19)	-	-	-
Teaching School Pension reserve	81	148	(96)	-	-	133
	(5,671)	-	(388)	-	(1,298)	(7,357)
	<b>(5,590)</b>	<b>13,341</b>	<b>(13,932)</b>	<b>281</b>	<b>(1,298)</b>	<b>(7,198)</b>

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**21. Statement of funds (continued)**

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2020 £000
<b>Restricted fixed asset funds</b>						
Net book value of fixed assets	54,884	-	(1,221)	1,964	(282)	55,345
Home England grants	3,527	-	-	(1,934)	-	1,593
Devolved Formula Capital and other capital grants	142	50	-	(192)	-	-
Loan	(1,000)	-	-	-	-	(1,000)
	<u>57,553</u>	<u>50</u>	<u>(1,221)</u>	<u>(162)</u>	<u>(282)</u>	<u>55,938</u>
<b>Total Restricted funds</b>	<u>51,963</u>	<u>13,391</u>	<u>(15,153)</u>	<u>119</u>	<u>(1,580)</u>	<u>48,740</u>
<b>Total funds</b>	<u><u>52,442</u></u>	<u><u>13,634</u></u>	<u><u>(15,271)</u></u>	<u><u>-</u></u>	<u><u>(1,580)</u></u>	<u><u>49,225</u></u>

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

**Unrestricted funds**

Unrestricted funds are to be used towards meeting any of the charitable objectives of the Academy Trust at the discretion of the Trustees.

Total transfers from unrestricted to restricted of £119,000 to the restricted general fund represents contributions towards reducing the restricted fund deficit.

**General Annual Grant (GAG)**

Funds from the Education and Skills Funding Agency for the provision of education, in line with the funding agreement.

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

**Pupil Premium**

Additional funds from the Education and Skills Funding Agency to support their disadvantaged pupils and to close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

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

**Other DfE/ESFA Grants**

Other funds provided by the Education and Skills Funding Agency for particular purposes within the Academy's educational operations.

**Local authority grants**

These are funds and grants received from the Local Authority and other institutions for use on specific educational projects.

**Other grants**

These are funds and grants received other institutions for use on specific educational projects.

**Trip and parental contributions**

These consist of restricted income from all other sources to be used primarily for the Academy Trust's educational operations.

**Other donations**

These consist of donations to be used primarily for the Academy Trust's educational operations.

**Other income**

These consist of restricted income from all other sources to be used primarily for the Academy Trust's educational operations.

**Exceptional government funding**

These consist of restricted income from the Education and Skills Funding Agency to be used as financial support during the COVID-19 pandemic.

**Teaching school**

These consist of restricted income for the teaching school to be used primarily for the teaching school educational operations.

**Pension reserve**

Being the fund in relation to the defined benefit pension scheme liability included in the Balance Sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately. Plans are in place to address the deficit.

**Restricted fixed asset fund**

The net book value of the fixed asset fund has been set up to recognise the tangible assets held by the Academy Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The unspent HIF capital grant fund and DFC grant has been created to recognise unspent capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the restricted fixed assets fund.

Total transfers of £162,000 out of the restricted fixed asset fund represent contributions towards expenditure on improvements to the building and other facilities.

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**21. Statement of funds (continued)**

**Capital grants**

This consists of Devolved Formula Capital (DFC), Housing infrastructure funding (HIF) and other capital funding from the Education and Skills Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. HIF funding are to be used as per the individual terms of the agreement for the specific new school build capital project. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

**Total funds analysis by Academy Trust**

Fund balances at 31 August 2020 were allocated as follows:

	<b>2020</b>	2019
	<b>£000</b>	£000
Westwood Academy	<b>359</b>	291
Kenilworth School	<b>323</b>	269
Central services	<b>(38)</b>	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>644</b>	560
Restricted fixed asset fund	<b>55,938</b>	57,553
Pension reserve	<b>(7,357)</b>	(5,671)
	<hr/>	<hr/>
<b>Total</b>	<b>49,225</b>	52,442
	<hr/> <hr/>	<hr/> <hr/>

Included within Kenilworth School fund balances is £133,000 in respect of the Teaching School.

The following carrying a net deficit on its portion of the funds as follows:

	<b>Deficit</b>
	<b>£000</b>
Central services	<b>38</b>
	<hr/> <hr/>

The deficit on Central services has arisen due to an under allocation of top slice which will be reviewed and adapted. As referred to in note 11, a review process of central services costs is being undertaken - costs allocated to central services in the year are staff costs based on the budget and audit costs. Any additional costs have been borne by Kenilworth School. Once this process has been concluded a supplementary one off additional charge will be made to each school to fairly attribute costs across the Trust.

**Total cost analysis by Academy**

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

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**21. Statement of funds (continued)**

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2020 £000
Westwood Academy	2,888	402	1	733	<b>4,024</b>
Kenilworth School	6,689	1,564	312	1,366	<b>9,931</b>
Central services	-	70	-	25	<b>95</b>
<b>Academy Trust</b>	<u>9,577</u>	<u>2,036</u>	<u>313</u>	<u>2,124</u>	<u><b>14,050</b></u>

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2019 £000
Westwood Academy	2,880	378	-	1,039	4,297
Kenilworth School	4,180	1,026	479	789	6,474
<b>Academy Trust</b>	<u>7,060</u>	<u>1,404</u>	<u>479</u>	<u>1,828</u>	<u>10,771</u>

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**21. Statement of funds (continued)**

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

	As restated Balance at 1 September 2018 £000	As restated Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Unrestricted funds</b>						
General Funds	333	521	(254)	(121)	-	479
Transfers in on conversion	-	121	-	(121)	-	-
	<u>333</u>	<u>642</u>	<u>(254)</u>	<u>(242)</u>	<u>-</u>	<u>479</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	-	9,092	(9,689)	597	-	-
Teaching School	-	89	(8)	-	-	81
Transfers in on conversion	-	355	-	(355)	-	-
Other DFE/ESFA	-	507	(507)	-	-	-
Pension reserve	(2,073)	(2,153)	(314)	-	(1,131)	(5,671)
	<u>(2,073)</u>	<u>7,890</u>	<u>(10,518)</u>	<u>242</u>	<u>(1,131)</u>	<u>(5,590)</u>

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**21. Statement of funds (continued)**

	As restated Balance at 1 September 2018 £000	As restated Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2019 £000
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset funds	13,207	-	(895)	42,571	-	54,883
Transfers in on conversion	-	40,283	-	(40,283)	-	-
Home England grants	-	4,774	-	(1,247)	-	3,527
Devolved Formula Capital and other capital grants	-	184	-	(41)	-	143
Loan	-	(1,000)	-	-	-	(1,000)
	<u>13,207</u>	<u>44,241</u>	<u>(895)</u>	<u>1,000</u>	<u>-</u>	<u>57,553</u>
<b>Total Restricted funds</b>	<u>11,134</u>	<u>52,131</u>	<u>(11,413)</u>	<u>1,242</u>	<u>(1,131)</u>	<u>51,963</u>
<b>Total funds</b>	<u><u>11,467</u></u>	<u><u>52,773</u></u>	<u><u>(11,667)</u></u>	<u><u>1,000</u></u>	<u><u>(1,131)</u></u>	<u><u>52,442</u></u>

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

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Restricted fixed asset funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	-	-	55,345	<b>55,345</b>
Current assets	485	1,288	1,918	<b>3,691</b>
Current liabilities	-	(1,129)	(1,325)	<b>(2,454)</b>
Pension scheme liability	-	(7,357)	-	<b>(7,357)</b>
<b>Total 2020</b>	<b>485</b>	<b>(7,198)</b>	<b>55,938</b>	<b>49,225</b>
	Unrestricted funds 2019 £000	Restricted funds 2019 £000	Restricted fixed asset funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	-	-	54,884	54,884
Current assets	479	1,152	4,774	6,405
Current liabilities	-	(1,071)	(2,105)	(3,176)
Pension scheme liability	-	(5,671)	-	(5,671)
<b>Total 2019</b>	<b>479</b>	<b>(5,590)</b>	<b>57,553</b>	<b>52,442</b>

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**23. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	<b>2020</b>	As restated
	<b>£000</b>	2019 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	<b>(1,637)</b>	42,282
<b>Adjustments for:</b>		
Depreciation (note 16)	<b>1,221</b>	719
Capital grants from DfE and other capital grants (note 3 and 4)	-	(4,783)
Capital introduced on conversion (note 3)	-	(40,283)
Defined benefit pension scheme obligation inherited (note 28)	-	2,153
Defined benefit pension scheme cost less contributions payable (note 28)	<b>284</b>	215
Defined benefit pension scheme finance cost (note 15)	<b>104</b>	98
Decrease/(increase) in stocks (note 17)	<b>12</b>	(7)
Decrease/(increase) in debtors (note 18)	<b>3,479</b>	(5,117)
(Decrease)/increase in creditors (note 19)	<b>(722)</b>	3,117
Interest receivable (note 6)	<b>(1)</b>	(1)
<b>Net cash provided by/(used in) operating activities</b>	<b>2,740</b>	(1,607)

**24. Cash flows from investing activities**

	<b>2020</b>	As restated
	<b>£000</b>	2019 £000
Interest receivable (note 6)	<b>1</b>	1
Purchase of tangible fixed assets (note 16)	<b>(1,964)</b>	(2,288)
Capital grants from DfE Group and other capital grants (note 3 and 4)	-	4,783
<b>Net cash (used in)/provided by investing activities</b>	<b>(1,963)</b>	2,496

**25. Analysis of cash and cash equivalents**

	<b>2020</b>	2019
	<b>£000</b>	£000
Cash in hand	<b>1,972</b>	1,195
<b>Total cash and cash equivalents</b>	<b>1,972</b>	1,195

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

	At 1 September 2019 £000	Cash flows £000	At 31 August 2020 £000
Cash at bank and in hand	1,195	777	1,972
Debt due within 1 year	(1,000)	-	(1,000)
	<u>195</u>	<u>777</u>	<u>972</u>

**27. Capital commitments**

Capital commitments contracted for but not reflected in the financial statements at 31 August 2020 was the purchase of the land which completed since the year end and is disclosed in the post balance sheet note at 32. The commitment was £3,945,000 exclusive of VAT (2019: £nil).

**28. Pension commitments**

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

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

Contributions amounting to £213,223 were payable to the schemes at 31 August 2020 (2019: £nil) 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.

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**28. 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 £1,483,000 (2019: £866,000).

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 £561,000 (2019: £404,000), of which employer's contributions totalled £456,000 (2019: £317,000) and employees' contributions totalled £ 105,000 (2019: £87,000). The agreed contribution rates for future years are 27.7% for employers and 5% -12.5% 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.

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**28. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2020</b>	2019
	%	%
Rate of increase in salaries	<b>3.00 - 3.30</b>	2.90 - 3.75
Rate of increase for pensions in payment/inflation	<b>2.20 - 2.30</b>	2.25 - 2.30
Discount rate for scheme liabilities	<b>1.60 - 1.70</b>	1.80 - 1.85

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
	Years	Years
<i>Retiring today</i>		
Males	<b>21.6 - 21.9</b>	20.9 - 21.4
Females	<b>23.8 - 24.1</b>	23.2 - 23.6
<i>Retiring in 20 years</i>		
Males	<b>22.5 - 23.8</b>	22.4 - 22.6
Females	<b>25.4 - 26.0</b>	25 - 25.1

**Sensitivity analysis**

	<b>2020</b>	2019
	£000	£000
Discount rate +0.1%	<b>(151)</b>	-
Discount rate -0.1%	<b>151</b>	-
Mortality assumption - 1 year increase	<b>546</b>	458
Mortality assumption - 1 year decrease	<b>(546)</b>	(458)
CPI rate +0.1%	<b>129</b>	-
CPI rate -0.1%	<b>(129)</b>	-

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**28. Pension commitments (continued)**

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

	<b>2020</b>	2019
	<b>£000</b>	£000
Equities	<b>3,634</b>	3,500
Gilts	<b>414</b>	-
Corporate bonds	<b>769</b>	1,068
Property	<b>610</b>	563
Cash and other liquid assets	<b>303</b>	657
Other	<b>569</b>	-
<b>Total market value of assets</b>	<b>6,299</b>	5,788

The actual return on scheme assets was £109,000 (2019: £468,000).

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

	<b>2020</b>	2019
	<b>£000</b>	£000
Current service cost	<b>(738)</b>	(492)
Past service cost	-	(97)
Interest income	<b>(109)</b>	(121)
Interest cost	<b>(213)</b>	(217)
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(842)</b>	(685)

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

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>At 1 September</b>	<b>11,459</b>	5,102
Conversion of Academy Trusts	-	4,048
Current service cost	<b>738</b>	492
Interest cost	<b>213</b>	217
Employee contributions	<b>105</b>	87
Benefits paid	<b>(234)</b>	(62)
Past service cost	-	97
Actuarial losses	<b>1,375</b>	1,478
<b>At 31 August</b>	<b>13,656</b>	11,459

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**28. Pension commitments (continued)**

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

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>At 1 September</b>	<b>5,788</b>	3,029
Conversion of Academy Trusts	-	1,895
Interest income	<b>109</b>	121
Actuarial gains	<b>101</b>	347
Employer contributions	<b>456</b>	317
Employee contributions	<b>105</b>	87
Benefits paid	<b>(234)</b>	(62)
Plan introductions, benefit changes, curtailments and settlements	-	56
Other actuarial losses	<b>(24)</b>	-
Administration fee	<b>(2)</b>	(2)
<b>At 31 August</b>	<b>6,299</b>	5,788

The total actuarial loss on the Academy Trust's defined pension scheme was £1,298,000 (2019: £1,131,000)

**29. Operating lease commitments**

During the year the Academy Trust has entered into an agreement with Warwick District Council for the sale of the Kenilworth Sixth Form site. In the same agreement a lease has been entered for the lease back of the site for a rent of £1 per annum.

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

	<b>2020</b>	2019
	<b>£000</b>	£000
<b>Amounts payable</b>		
Within 1 year	<b>54</b>	56
Between 1 and 5 years	<b>94</b>	143
<b>Total</b>	<b>148</b>	199

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**30. Members' liability**

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

**31. 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 Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Academy Trust purchased cleaning supplies from Mid Warwickshire Cleaning Supplies Limited, a company in which one of the Trustees is a director. Total purchases from the company during the year was £3,602 (2019: £nil). The amount outstanding at the balance sheet date was £900 (2019: £nil).

The Academy Trust hired an interim CFO during the year from Keystone Knowledge Limited, a company in which the CFO is a director. The total services from the company during the year was £27,892 (2019: £nil). The amount outstanding at the balance sheet date was £6,164 (2019: £nil).

The following individuals, who are connected to trustees, are employed by the Trust .

<b>Individual</b>	<b>Connection to trustee</b>	<b>Role</b>
J Harris	spouse of P Harris	Receptionist
C Hales	spouse of R Hales	Invigilator
C Abbott	spouse of H Abbott	Supply teacher

J Harris was an employee of Westwood School prior to becoming an academy and prior to P Harris taking up appointment as a Trustee. C Hales and C Abbott are employed on zero hour contracts. Their hours are determined by their respective line managers who are not trustees.

All individuals were recruited in open competition and the trustees to whom they are connected were not involved in the recruitment process. All are paid within the normal pay scale for their role and were subject to the Trust's standard DBS and reference requirements.

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

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**32. Post balance sheet events**

During the year the Academy Trust paid a deposit for the purchase of land for the development of the new site. In December 2020, the Trust concluded the purchase of the new site for Kenilworth School and Sixth Form at a cost of £4,553,657 (including VAT) and the sale of the existing Sixth Form site of Kenilworth School at a value of £10,740,000 to Warwick District Council. The Trust also entered into an agreement with Warwick District Council for the continued occupation of the current Sixth Form site by the Trust at a rent of £1 per annum until the new site can be occupied. The first installment of £6,250,000 due from Warwick District Council in connection with the sale of the main site of Kenilworth School, which has not yet completed, was also received during January 2021.

**33. Teaching school trading account**

	<b>2020</b>	<b>2020</b>	2019	2019
	<b>£000</b>	<b>£000</b>	£000	£000
<b>Income</b>				
<b>Direct income</b>				
Fundraising and other trading activities	148		6	
Transfer in on conversion	-		83	
<b>Total direct income</b>	<b>148</b>		<b>89</b>	
<b>Total income</b>		<b>148</b>		<b>89</b>
<b>Expenditure</b>				
<b>Other expenditure</b>				
Other support costs	96		8	
<b>Total expenditure</b>		<b>96</b>		<b>8</b>
<b>Surplus from all sources</b>		<b>52</b>		<b>81</b>
<b>Teaching school balances at 1 September 2019</b>		<b>81</b>		<b>-</b>
<b>Teaching school balances at 31 August 2020</b>		<b>133</b>		<b>81</b>