

Company Registration Number: 11842925 (England & Wales)

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Hicks D Boshier R Sutton (resigned 30 September 2019) C Lewis
Trustees	J Birkett, Chief Executive Officer M Clements K Coleman P Dudley-Smith J Hakes (resigned 26 October 2020) C Hicks, Chair of Trustees R Watts
Company registered number	11842925
Company name	The Nene Valley Partnership
Principal and registered office	Wollaston School Irchester Road Wollaston Northamptonshire NN29 7PH
Senior leadership team	J Birkett, Chief Executive Officer W Taylor, Chief Financial Officer J Alison, Headteacher, Irchester Community Primary School G Morton, Headteacher, Bozeat Community Primary School and Nursery
Independent auditors	Cooper Parry Group Limited Chartered Accountants Statutory Auditors Park View One Centra Boulevard Blythe Valley Park Solihull West Midlands B90 8BG
Bankers	Lloyds Bank plc 48 Market Street Wellingborough NN8 1AG
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

THE NENE VALLEY PARTNERSHIP
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year from 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a Directors' report, including a strategic report, under company law.

These are the second financial statements presented by the Trustees. The previous financial statements covered the period from 22 February 2019 to 31 August 2019, with all three schools joining the Trust on 1 April 2019. In these financial statements, the comparative figures throughout therefore relate to a 5 month period.

The Nene Valley Partnership ('Academy Trust') ('NVP') operates two primary academies and one secondary academy serving a close geographical area, just south of Wellingborough, Northamptonshire. The Trust provides an education for children aged 4 -18 and has a combined capacity of 2,016 pupils. The current number of students on roll is 1,985 based on the 2020 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as the Nene Valley Partnership.

Details of the Trustees who served throughout the year and to the date of the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

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

Method of Recruitment and Appointment or Election of Trustees

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

- up to 9 Trustees who are appointed by the Members;
- up to 2 Parent Trustees who are elected by parents of registered pupils at the Academy Trust;
- any number of Co-opted Trustees who are appointed by the Board of Trustees, provided that any Co-opted Trustees who are also employees of the Academy Trust do not exceed one third of the total number of Trustees; and
- the Chief Executive Officer who is treated for all purposes as being an ex-officio Trustee.

Trustees are appointed for a 4-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Academy Trust's ongoing development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but will always include a tour of the Schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. All new Trustees also have the opportunity to undertake National Governor Association training and all Trustees receive regular National Governor Association updates. As there are normally only a small number of new Trustee appointments each year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by various external organisations as appropriate.

A bespoke governance development program is operated throughout the year which allows Trustees to meet informally as a team for training, so as to keep the Trustees updated on relevant developments impacting on their roles and responsibilities, and to contribute to the strategic leadership and direction of the Academy Trust.

Organisational Structure

At 31 August 2020, the Academy Trust comprised the following individual schools:

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

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

The Board of Trustees normally meet 11 times each year. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

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

- Audit and Risk

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

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

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

The Trustees have devolved the day-to-day management of the Academy Trust to the Senior Leadership Team ('SLT') of the Nene Valley Partnership, which is led by the Chief Executive Officer. The SLT comprises the Chief

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Executive Officer ('CEO'), Chief Financial Officer ('CFO') and the individual Headteachers of each school in the Trust. The Chief Executive Officer is the Academy Trust's Accounting Officer and has overall responsibility for the day to day financial management of the Academy Trust. The SLT implements the policies laid down by the Trustees and reports back to them on performance.

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

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

The pay of the SLT is reviewed annually as part of the LGB's pay committees in line with the Trust's pay and remuneration policy and by reference to published pay scales for both teaching and administrative support staff. Chairs of LGB's report annually to the Board of Trustees on pay and remuneration and adherence to the policy.

The Board of Trustees set remuneration for the CEO and CFO of the Trust. This currently stands as an additional annual payment of £4,800 for the CEO and £3,600 for the CFO. These payments have remained the same since April 2019 upon the establishment of the Nene Valley Partnership, but will be reviewed by Trustees during the 2021/22 academic year. This remuneration is paid as an enhancement to existing salaries as both the CEO and CFO have substantive roles and salaries with Wollaston School, as Headteacher and School Business Manager respectively.

Related Parties and Other Connected Charities and Organisations

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

Engagement with Employees (including Disabled Persons)

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

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

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

Trade Union Facility Time

There are no employees who elect to act as union officials during the course of their work, and therefore no time was spent on these activities.

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OBJECTIVES AND ACTIVITIES

Objects and Aims

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

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

The aims of the Academy Trust during the year ended 31 August 2020 are summarised below:

- To ensure that all Trust schools were able to remain open and operational (in line with national restrictions) during the coronavirus pandemic.
- To arrange suitable in school provision for key worker children and vulnerable students during the period of national school closures.
- To ensure that students at GCSE and A Level / BtEC were able to secure appropriate qualifications which enabled them to progress to their chosen next steps in education or employment.
- To comply with all aspects of Government, Department for Education and Public Health guidance to ensure that all schools operate as safely as possible.
- To ensure that every child enjoys a high-quality education in terms of teaching, resourcing and care, during both pre Covid provision and during the pandemic.
- To safeguard the educational achievement of all pupils who attend an NVP school.
- To improve the effectiveness of the Academy Trust both pre covid and throughout the pandemic, by keeping all curricular and organisational arrangements under review.
- To provide value for money with the funds expended. Utilising funding to ensure the safe operation of the school during the pandemic.
- To comply with all appropriate statutory and curricular requirements.

Objectives, Strategies and Activities

The key activities of the Academy Trust for the year ended 31 August 2020 were focused as follows:

- From September 2019 – March 2020, the Trust had developed an overall development plan in addition to individual improvement plans at each school. The key activities promoted were focused on building consistency around best practice through a series of senior and middle leader curriculum projects, designed to ensure progression through the 4-18 curriculum at all three schools. Whilst Covid-19 forced this work to become suspended – it remains live and will be re-launched post-pandemic.

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- From September 2019 – March 2020, the Trust Maths and Writing leads were working to establish consistency around our best practice, with the aim of ensuring continued success in English and Maths in all Key Stage tests, GCSE and A level examinations. Whilst there are no formal outcomes to report – teacher assessments pre-covid indicate high levels of progress and work will continue in each of these areas to ensure excellent outcomes in the 2020/2021 academic year.
- From March 2020: The Trust developed effective educational provision for vulnerable children, children of critical workers and managed a phased return for students in Government designated year groups. This continued during school holidays. All provision was structured under the aim to provide “the best education possible in the safest way possible” and followed all Government guidance. All schools in the trust opened for the absolute maximum time allowed under Government arrangements and for as many children as allowed under the national arrangements. Attendance levels at all three NVP Schools were far in excess of national average data.
- From March 2020: Remote provision was enabled for all children who were not allowed to attend school under the Government's national restrictions. This involved staff utilising new technologies such as zoom, youtube and web platforms such as DB Primary to deliver learning to students working from home. The Trust also provided technologies to support families in most need to ensure that all children and staff were able to maintain a continuity of education (albeit in limited circumstances) despite the pandemic.
- From March 2020: Supporting vulnerable students with school meals provision during the pandemic. The Trust arranged for free school meals provision to continue for all eligible students during the periods of closure. This include packed lunches for collection, delivery of packed lunches to designated residential areas and the provision of supermarket vouchers.

Public Benefit

The Academy Trust aims to advance for the public benefit education in the areas south of Wellingborough including Bozeat, Irchester and Wollaston and the surrounding villages, offering a broad curriculum and an excellent education environment for its pupils. The Academy Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community.

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

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Academy Trust continues to evolve and to adapt to the ever-changing educational environment. The total number of pupils in the year ended 31 August 2020 was 1985, but this has increased to 1997 at the October 2020 census due to the continued demand for places at the Academy Trust.

The Academy Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning. However, due to the impact of Covid 19 during the 2019 /20 academic year, the usual metrics of Ofsted and examination outcomes were unavailable, although there are some measures which point to the continued high performance of the Trust. The particular achievements and performance of the Academy Trust during the year ended 31 August 2020 were as follows:

- During the pandemic, the Trust was open for the maximum number of days allowable by Government for the maximum number of students. This included the trust opening schools to vulnerable children and the children of key workers throughout the Easter and May half term holidays.

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- Because of the cancellation of assessments, there is no validated data for the primary schools of the NVP.
- Despite the national turmoil regarding examination results at Key Stage 5, the Trust supported Post 16 students to gain access to their chosen courses or employment routes. 100% of Post 16 students progressed to destinations at either University or employment.
- Although examinations were cancelled at Key Stage 4, Wollaston School's GCSE cohort again achieved outcomes above national averages, arrived at through the use of Centre Assessed grades. 53.5% of students achieved a grade 5+ in English and Maths at Wollaston against a national measure of 49.9%.

Key Performance Indicators

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

A key financial performance indicator for the Trust is the level of reserves held at the Balance Sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2020, the balance of the unrestricted and restricted income reserves was £1,698,085 (2019: £1,210,006), which is after transfers of £93,727 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust's funding is based on pupil numbers, pupil numbers is also a key performance indicator. As noted earlier in this report, pupil numbers at the most recent census were 1,985.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the Education and Skills Funding Agency ('ESFA') and / or Local Authority) for the year was 85.1% (2019: 82.3%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 84.1% (2019: 81.0%).

Going Concern

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

FINANCIAL REVIEW

The majority of the Academy Trust's income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure of these grants are shown as restricted funds in the Statement of Financial Activities.

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

For the year ended 31 August 2020, the Academy Trust's total income (excluding capital grants and revalued assets on conversion) was £10,505,152 (2019: £4,486,152 which also excludes assets inherited on conversion) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £9,923,346 (2019: £4,196,974), resulting in a net surplus for the year of £581,806 (2019: £289,178).

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This surplus has been added to the Academy Trust's reserves to carry forward for future years. The balance of reserves at 31 August 2020, excluding the restricted fixed asset funds and LGPS liability fund was £1,698,085 (2019: £1,210,006).

The net book value of fixed assets at 31 August 2020 were £15,217,219. The land and buildings were revalued during the year with a decrease in value of £3,813,000 as explained in note 3 to the financial statements. The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils of the Academy Trust.

Included within the Academy's Balance Sheet at the year-end is a defined benefit pension scheme liability of £3,194,000 (2019: £2,858,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the three individual schools. Further details regarding the deficit in the LGPS at 31 August 2020 are set out in note 27 to the financial statements.

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

The Covid-19 Pandemic has had a significant impact on the finances of the Trust. The Trust estimates that it has incurred additional costs in excess of £75,000 including lost income from other services such as catering.

Reserves Policy

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

The Trustees have determined that the appropriate level of free cash reserves should be approximately 5% of total incoming resources. The total income for the year ended 31 August 2020 (excluding capital grants) would result in an appropriate reserves level of approximately £525,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc.

The Academy Trust's current level of reserves at 31 August 2020 is £1,698,085 (2019: £1,210,006), of which £1,103,242 (2019: £1,053,027) is free reserves (that is, total funds less the amount held in total restricted funds).

Although the current level of free reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Trust, including the need to retain key staff in light of the increasing cost pressures in future years. Wollaston has a two classroom build planned for March 2021 which will utilise £284,000 of the reserves plus fittings costs.

The value of the restricted fixed asset fund at 31 August 2020 is £15,481,373 (2019: £19,028,051), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust. These funds can only be realised by disposing of the associated tangible fixed assets. The fund also includes unspent capital funding of £264,154 that will be spent in the 31 August 2021 year.

The pension reserve fund has a deficit balance at 31 August 2020 of £3,194,000, which represents the deficit in the LGPS at the Balance Sheet date. The effect of the LGPS deficit is that the Academy Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of an Academy closure, any outstanding LGPS liabilities would be met by the Department for Education.

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Investment Policy

All funds surplus to immediate requirements are invested to optimal effect by the Academy Trust with the objective of ensuring maximum return on assets invested but with minimal risk. On a daily basis this is achieved by automatic transfer of surplus funds to an overnight deposit account with the Academy Trust's principal bankers. Where cash flow allows, sums in excess of working capital requirements may be invested on deposit for extended periods with the Academy Trust's principal bankers or other reputable financial institutions.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. They have introduced systems, including operational procedures and internal financial controls in order to minimise risk and have reviewed the Risk Register.

Where significant financial risk still remains, the Trustees have ensured the Academy Trust has adequate insurance cover in place. The Risk Register is reviewed in light of any new information and formally reviewed annually.

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

Educational

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

As examinations and assessments have been disrupted by Covid -19, the Trust has ensured that all students are supported to secure qualifications which enable them to progress to the next stage of their education or onto employment.

Safeguarding and child protection

The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. Trustees have ensured that all schools in the trust operate within the Department for Education's Covid-19 guidance and have reviewed arrangements with professional associations and external health and safety consultants.

Financial

The Academy Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the year, approximately 93% of the Academy Trust's income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly in light of continuing changes in the National Funding Formula for schools.

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

The Trustees examine the financial health of the Academy Trust formally 6 times a year, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Audit and Risk Committee meetings.

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Staffing

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

Failures in governance and / or management

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

Fraud and mismanagement of funds

The Academy Trust has engaged a Trustee and also the Strategic Business Manager of another academy trust to perform a program of work aimed at checking and reviewing the financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

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

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

Fundraising

The Academy Trust has not undertaken any material fundraising activities during the year ended 31 August 2020.

PLANS FOR FUTURE PERIODS

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

The Academy Trust's plans for future periods are:

- To ensure that students are able to recover from the educational and social disruption caused by Covid-19. This includes the introduction of curriculum recovery programmes, contingency plans and "bubbled" arrangements for the safe delivery of education in the forthcoming academic year.
- To ensure that children and students achieve outcomes in qualifications which broadly compare to pre-pandemic achievement in 2019. This includes phonics screening, KS1 and 2 assessments as well as GCSE and A level results.
- To continue to prioritise estate improvement during the 2020/21 academic year - including boiler replacement at Irchester Community Primary School and a new classroom block at Wollaston School.

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- As soon as local and national Covid-19 restrictions make this allowable: Return to development work on curricular and teaching and learning harmonisation in line with the previous year's priorities as follows:
 - To promote a coherent approach to curriculum development across the Trust from ages 4-18. This will enable pupils to benefit from a progressive, well planned and sequenced curriculum across key stages and with a particular focus on key expectations at points of transition. This work will also provide powerful professional developments for staff within the Trust.
 - To ensure the Trust has an active role in school improvement – using peer reviews and staff who work across the Trust to improve provision in identified areas of need. The aim is to establish a self-improving partnership and ensure that all three schools are rated at least good at the time of their next inspection.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust and its Trustees do not act as Custodian Trustees of any other charity.

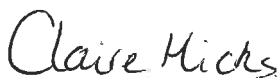
The Academy Trust does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2020 and signed on its behalf by:



C Hicks
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 13 times during the year.

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

Trustee	Meetings attended	Out of a possible
J Birkett, Chief Executive Officer	11	13
M Clements	12	13
K Coleman	9	13
P Dudley-Smith	11	13
J Hakes	11	13
C Hicks, Chair of Trustees	13	13
R Watts	11	13

Trustees have reviewed their effectiveness during the year and have identified areas for development for the Board of Trustees. An action plan has been drafted to ensure sustained performance and continuous improvement.

Trustees were active in scrutinising plans for wider re-opening of schools during the coronavirus pandemic. The Board of Trustees convened additional meetings in which risk assessments were challenged against Government guidance to ensure compliance in all Covid-safe arrangements. These additional meetings took place on Wednesday 27 May, Wednesday 3 June and Thursday 20 August 2020.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Audit and Risk Committee is a sub-committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Academy Trust. This committee also acts as the Academy Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework. It will report its findings annually to the Board of Trustees and the Accounting Officer as a critical element of the Trust's annual reporting requirements.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Clements	4	4
P Dudley-Smith	4	4
R Watts, Chair of Audit and Risk	4	4

The key issues dealt with by the Audit and Risk Committee during the year was the review of the reports received from the reviewers in relation to the Trust's systems of internal control and the actions undertaken to address the control weaknesses identified.

Review of value for money

As Accounting Officer, the CEO 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 period, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available.

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

- The Trust has sourced a shared contract for the provision of printing and photocopying services. This has resulted in significant savings in respect of operating leases which have historically been negotiated by individual schools. The annual saving is approximately £8,000.
- The Trust acted quickly in terms of procuring necessary sanitisation, signage and protective equipment in response to the additional requirements of Covid-19. This ensured that we were available to avoid the intense demand and inflationary pressure on these items as the pandemic developed. The Trust secured uninterrupted supply chains and lead times which enabled all three schools to continue to open and operate effectively and safely throughout the pandemic.
- The Trust ensured that parents, students and it's own finances were as unaffected as possible by the Covid-19 pandemic. Through negotiation with various companies and insurers, the Trust ensured that all monies paid for educational trips and visits (which had been cancelled due to Covid-19) were returned and all appropriate refunds issued to parents, students and to school and trust budgets.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Nene Valley Partnership for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor for this purpose. However, the Trustees have appointed Rob Watts, a Trustee, to carry out a programme of internal checks and the Strategic Business Manager of another academy trust to perform a peer review on payroll.

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

- review of and testing of payroll systems and procedures;
- review of and testing of procurement systems and procedures; and
- review of management information preparation procedures, including information prepared for and presented to the Board of Trustees

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

The reviewers have delivered their program of work during the year ended 31 August 2020 as planned. A number of internal control weaknesses were identified from the work completed and the Trustees and management have developed an action plan to address these weaknesses and improve internal controls over the year.

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

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the work of the internal reviewers;
- the work of the external auditors;
- the school resource management self-assessment tool; 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 Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on their behalf by:



C Hicks
Chair of Trustees



J Birkett
Accounting Officer

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

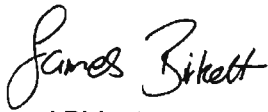
As Accounting Officer of The Nene Valley Partnership I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy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

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

I confirm that 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:

Matter one - eligibility for coronavirus exceptional support funding

During the year, all three schools within the Trust submitted claims for coronavirus exceptional support funding and were successful with their claims. Two of the three schools reported a revenue surplus in the year and so did not meet the eligibility requirements for the funding. The exceptional costs funding received by the two schools that did not meet the eligibility requirements totalled £48,668.



J Birkett
Accounting Officer

Date: 14 December 2020

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 14 December 2020 and signed on its behalf by:

Claire Hicks

C Hicks
Chair of Trustees

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Nene Valley Partnership (the 'academy trust') for the period ended 31 August 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 period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 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.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

Responsibilities of Trustees

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

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

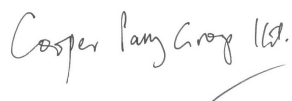
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Simon Atkins FCA (Senior Statutory Auditor)
for and on behalf of
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditors

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

Date: 18 December 2020

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 1 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Nene Valley Partnership 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 The Nene Valley Partnership and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Nene Valley Partnership and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Nene Valley Partnership and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Nene Valley Partnership's funding agreement with the Secretary of State for Education dated 1 April 2019 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

The work undertaken to draw our conclusions included:

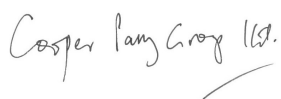
- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities;
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and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

Conclusion

In the course of our work, 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 one - eligibility for coronavirus exceptional support funding

During the year, all three schools within the trust submitted claims for coronavirus exceptional support funding and were successful with their claims. Two of the three schools reported a revenue surplus in the year and so did not meet the eligibility requirements for the funding. The exceptional costs funding received by the two schools that did not meet the eligibility requirements totalled £48,668.



Reporting Accountant
Cooper Parry Group Limited
Chartered Accountants
Statutory Auditors

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

Date: 18 December 2020

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:					
Donations and capital grants:					
Assets on conversion	-	-	(3,813,000)	(3,813,000)	19,880,817
Other donations and capital grants	12,732	300	424,096	437,128	235,000
Charitable activities	578,510	9,842,528	-	10,421,038	4,430,381
Other trading activities	68,718	-	-	68,718	44,093
Investments	2,364	-	-	2,364	573
	<u>662,324</u>	<u>9,842,828</u>	<u>(3,388,904)</u>	<u>7,116,248</u>	<u>24,590,864</u>
Expenditure on:					
Charitable activities	612,109	9,661,237	251,701	10,525,047	4,492,607
Other expenditure	-	-	-	-	2,607,000
	<u>612,109</u>	<u>9,661,237</u>	<u>251,701</u>	<u>10,525,047</u>	<u>7,099,607</u>
Total expenditure	612,109	9,661,237	251,701	10,525,047	7,099,607
Net income/(expenditure)	50,215	181,591	(3,640,605)	(3,408,799)	17,491,257
Transfers between funds	-	(93,727)	93,727	-	-
Net movement in funds before other recognised gains/(losses)	50,215	87,864	(3,546,878)	(3,408,799)	17,491,257
Other recognised gains/(losses):					
Actuarial gains/(losses) on defined benefit pension schemes	-	14,000	-	14,000	(111,000)
	<u>50,215</u>	<u>101,864</u>	<u>(3,546,878)</u>	<u>(3,394,799)</u>	<u>17,380,257</u>
Net movement in funds	50,215	101,864	(3,546,878)	(3,394,799)	17,380,257
Reconciliation of funds:					
Total funds brought forward	1,053,027	(2,701,021)	19,028,251	17,380,257	-
Net movement in funds	50,215	101,864	(3,546,878)	(3,394,799)	17,380,257
Total funds carried forward	1,103,242	(2,599,157)	15,481,373	13,985,458	17,380,257

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

The notes on pages 27 to 52 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	15	15,217,219	19,028,251
		<u>15,217,219</u>	<u>19,028,251</u>
Current assets			
Stocks	16	36,661	34,273
Debtors	17	415,153	150,753
Cash at bank and in hand		1,886,489	1,564,074
		<u>2,338,303</u>	<u>1,749,100</u>
Creditors: amounts falling due within one year	18	<u>(376,064)</u>	<u>(506,582)</u>
Net current assets		<u>1,962,239</u>	<u>1,242,518</u>
Total assets less current liabilities		<u>17,179,458</u>	<u>20,270,769</u>
Creditors: amounts falling due after more than one year	19	-	(32,512)
Net assets excluding pension liability		<u>17,179,458</u>	<u>20,238,257</u>
Defined benefit pension scheme liability	27	<u>(3,194,000)</u>	<u>(2,858,000)</u>
Total net assets		<u><u>13,985,458</u></u>	<u><u>17,380,257</u></u>

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	20	15,481,373	19,028,251
Restricted income funds	20	594,843	156,979
Pension reserve	20	(3,194,000)	(2,858,000)
Total restricted funds	20	12,882,216	16,327,230
Unrestricted income funds	20	1,103,242	1,053,027
Total funds		13,985,458	17,380,257

The financial statements on pages 23 to 52 were approved by the Trustees, and authorised for issue on 14 December 2020 and are signed on their behalf, by:

Claire Hicks

C Hicks
Chair of Trustees

The notes on pages 27 to 52 form part of these financial statements.

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	22	262,738	531,320
Cash flows from investing activities	24	172,791	(80,966)
Cash flows from financing activities	23	(113,114)	1,113,720
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		322,415	1,564,074
Cash and cash equivalents at the beginning of the year		1,564,074	-
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	25, 26	1,886,489	1,564,074
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 27 to 52 from part of these financial statements

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

• **Donations**

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

• **Other income**

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

THE NENE VALLEY PARTNERSHIP
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £10,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

The estimated useful lives range as follows:

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

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

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

1. Accounting policies (continued)

1.7 Stocks

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

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

1.12 Operating leases

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

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

1. Accounting policies (continued)

1.13 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.

1.14 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.

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

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

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 present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their economic useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Critical areas of judgement:

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

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

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

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Donations					
Assets inherited on conversion	-	-	(3,813,000)	(3,813,000)	19,880,817
	-	-	(3,813,000)	(3,813,000)	19,880,817
Donations	12,732	300	111,285	124,317	191,365
Capital Grants	-	-	312,811	312,811	43,635
Subtotal	12,732	300	424,096	437,128	235,000
	12,732	300	(3,388,904)	(3,375,872)	20,115,817
Total 2019	1,012,572	900	19,102,345	20,115,817	

Revision of the value of assets inherited on conversion in prior year:

The long term leasehold property of the Academy Trust includes the land and buildings of Wollaston School, Irchester Community Primary School and Bozeat Community Primary School and Nursery, which were transferred to the Academy Trust on conversion and are occupied under a 125 year lease from Northamptonshire County Council.

In the prior year, in the absence of an available valuation from the ESFA, the value of the land and buildings, as included in the financial statements, was based on a Trustees' valuation. In the year ended 31 August 2020, valuations from the ESFA for the land and buildings have been made available and the Trustees have therefore revised the valuation of the land and buildings recognised in the prior year based on the current ESFA valuations. This has resulted in an adjustment to reduce the value of the land and buildings previously recognised by an amount of £3,813,000. This has also had the effect of reducing the depreciation charge for the year by £95,597.

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

4. Funding for the Academy Trust's educational activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	8,687,542	8,687,542	3,663,291
Start-up grants	-	-	-	69,335
Other DfE/ESFA grants	-	966,143	966,143	333,025
	-	9,653,685	9,653,685	4,065,651
Other government grants				
Local Authority SEN funding	-	83,424	83,424	40,811
Other government grants	-	71,404	71,404	21,473
	-	154,828	154,828	62,284
Other funding				
Trip income	228,932	-	228,932	67,427
Catering income	200,809	-	200,809	114,025
Other income	148,769	34,015	182,784	120,994
	578,510	9,842,528	10,421,038	4,430,381
Total 2019	276,569	4,153,812	4,430,381	

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Catering income	44,249	44,249	28,438
IT services	5,750	5,750	8,789
Lettings	18,719	18,719	6,866
	68,718	68,718	44,093
Total 2019	44,093	44,093	

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

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	2,364	2,364	573
Total 2019	573	573	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Educational activities:					
Direct costs	6,740,592	-	741,217	7,481,809	3,128,268
Allocated support costs	1,606,245	497,833	939,160	3,043,238	1,364,339
Other expenditure	-	-	-	-	2,607,000
	8,346,837	497,833	1,680,377	10,525,047	7,099,607
Total 2019	3,399,091	212,028	3,488,488	7,099,607	

8. Other expenditure

	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
LGPS liability inherited on conversion	-	-	2,607,000
Total 2019	2,607,000	2,607,000	

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

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	Total funds 2019 £
Educational activities	7,481,809	3,043,238	10,525,047	4,492,607
Total 2019	<u>3,128,268</u>	<u>1,364,339</u>	<u>4,492,607</u>	

Analysis of support costs

	Educational activities 2020 £	Total funds 2020 £	Total funds 2019 £
LGPS FRS102 net pension interest cost	57,000	57,000	28,000
Staff costs	1,549,245	1,549,245	628,708
Depreciation	251,701	251,701	155,633
Technology costs	211,713	211,713	102,225
Premises costs	497,833	497,833	212,029
Other costs	461,122	461,122	210,721
Governance costs	14,397	14,397	12,350
Legal costs	227	227	14,673
	<u>3,043,238</u>	<u>3,043,238</u>	<u>1,364,339</u>
Total 2019	<u>1,364,339</u>	<u>1,364,339</u>	

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

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020	2019
	£	£
Operating lease rentals	77,938	70,613
Depreciation of tangible fixed assets	251,701	155,633
Fees paid to auditors for:		
- audit	8,350	7,400
- other services	4,950	4,300

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

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	6,057,218	2,583,075
Social security costs	571,693	239,862
Pension costs	1,648,527	558,579
	8,277,438	3,381,516
Agency staff costs	69,399	17,575
	8,346,837	3,399,091

b. Staff numbers

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

	2020	2019
	No.	No.
Teachers	104	119
Leadership	11	4
Administration and Support	109	115
	224	238

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

11. Staff (continued)

c. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	4	1
In the band £90,001 - £100,000	-	1
In the band £100,001 - £110,000	1	-
	1	-

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £328,606 (2019 £138,980).

12. Central services

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

- School improvement
- HR
- Finance
- IT

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

- 3% of GAG funding

The actual amounts charged during the year were as follows:

	2020	2019
	£	£
Wollaston School	173,476	72,518
Irchester Community Primary School	42,502	17,768
Bozeat Community Primary School and Nursery	17,062	7,109
Total	233,040	97,395

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NOTES TO THE FINANCIAL STATEMENTS
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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 principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2020	2019
		£	£
J Birkett	Remuneration	100,000 -	35,000 -
		105,000	40,000
	Pension contributions paid	20,000 -	5,000 -
		25,000	10,000

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

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. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2019	18,923,330	148,903	111,650	19,183,883
Additions	189,815	48,749	15,105	253,669
Revaluations	(3,813,000)	-	-	(3,813,000)
At 31 August 2020	<u>15,300,145</u>	<u>197,652</u>	<u>126,755</u>	<u>15,624,552</u>
Depreciation				
At 1 September 2019	140,124	6,204	9,304	155,632
Charge for the year	214,997	16,200	20,504	251,701
At 31 August 2020	<u>355,121</u>	<u>22,404</u>	<u>29,808</u>	<u>407,333</u>
Net book value				
At 31 August 2020	<u><u>14,945,024</u></u>	<u><u>175,248</u></u>	<u><u>96,947</u></u>	<u><u>15,217,219</u></u>
At 31 August 2019	<u><u>18,783,206</u></u>	<u><u>142,699</u></u>	<u><u>102,346</u></u>	<u><u>19,028,251</u></u>

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

15. Tangible fixed assets (continued)

The long term leasehold property comprises the land and buildings of Wollaston School, Irchester Community Primary School and Bozeat Community Primary School which were transferred to the Academy Trust on conversion on 1 April 2019 by Northamptonshire County Council, and which are occupied under 125 year lease agreements with the Local Authority.

The land and buildings have been revalued during the year as explained in note 3 to these financial statements.

16. Stocks

	2020	2019
	£	£
Uniform and catering stock	36,661	34,273

17. Debtors

	2020	2019
	£	£
Due within one year		
Trade debtors	3,935	19,735
Other debtors	37,994	75,425
Prepayments and accrued income	373,224	55,593
	415,153	150,753

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

18. Creditors: Amounts falling due within one year

	2020 £	2019 £
Loans	32,512	113,114
Trade creditors	33,587	22,662
Other taxation and social security	243,875	267,609
Other creditors	9,629	4,754
Accruals and deferred income	56,461	98,443
	376,064	506,582

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

	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	83,363	-
Resources deferred during the year	45,135	83,363
Amounts released from previous periods	(83,363)	-
	45,135	83,363

Deferred income relates to funding received in advance for Universal Infant Free School Meals and trip income relating to future trips, which will be utilised during the year ending 31 August 2021.

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

	2020 £	2019 £
Loans	-	32,512
	-	32,512

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

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

20. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
General Funds	1,053,027	662,324	(612,109)	-	-	1,103,242
Restricted general funds						
General annual grant (GAG)	109,010	8,687,542	(8,157,296)	(93,727)	-	545,529
Other DfE/ESFA funds	40,491	966,143	(957,320)	-	-	49,314
Local authority funding	7,478	83,424	(90,902)	-	-	-
Other restricted funds	-	105,719	(105,719)	-	-	-
Pension reserve	(2,858,000)	-	(350,000)	-	14,000	(3,194,000)
	<u>(2,701,021)</u>	<u>9,842,828</u>	<u>(9,661,237)</u>	<u>(93,727)</u>	<u>14,000</u>	<u>(2,599,157)</u>
Restricted fixed asset funds						
Fixed asset fund	19,028,251	(3,388,904)	(251,701)	93,727	-	15,481,373
Total Restricted funds	<u>16,327,230</u>	<u>6,453,924</u>	<u>(9,912,938)</u>	<u>-</u>	<u>14,000</u>	<u>12,882,216</u>
Total funds	<u><u>17,380,257</u></u>	<u><u>7,116,248</u></u>	<u><u>(10,525,047)</u></u>	<u><u>-</u></u>	<u><u>14,000</u></u>	<u><u>13,985,458</u></u>

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with its funding Agreement. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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

Restricted fixed asset funds comprise the value of the fixed assets transferred to the Academy Trust on

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20. Statement of funds (continued)

conversion less accumulated depreciation together with any capital expenditure funded from restricted or unrestricted funds. Unspent capital grants are also held in this fund and their use is restricted to the capital projects for which the grants were paid.

The pension reserve represents the Local Government Pension Scheme deficit.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Wollaston School	1,126,715	706,781
Irchester Community Primary School	257,913	293,037
Bozeat Community Primary School and Nursery	186,601	177,357
Central services	126,856	32,831
Total before fixed asset funds and pension reserve	1,698,085	1,210,006
Restricted fixed asset fund	15,481,373	19,028,251
Pension reserve	(3,194,000)	(2,858,000)
Total	13,985,458	17,380,257

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Wollaston School	5,113,369	889,282	544,744	828,200	7,375,595	3,134,155
Irchester Community Primary School	1,229,115	234,089	75,238	204,020	1,742,462	700,363
Bozeat Community Primary School and Nursery	455,108	132,874	58,912	103,619	750,513	320,413
Central services	-	-	5,323	49,453	54,776	42,043
Academy Trust	6,797,592	1,256,245	684,217	1,185,292	9,923,346	4,196,974

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

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

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

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21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	15,217,219	15,217,219
Current assets	1,103,242	970,907	264,154	2,338,303
Creditors due within one year	-	(376,064)	-	(376,064)
Provisions for liabilities and charges	-	(3,194,000)	-	(3,194,000)
Total	1,103,242	(2,599,157)	15,481,373	13,985,458

Analysis of net assets between funds - prior period

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

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

	2020 £	2019 £
Net (expenditure)/income for the period (as per Statement of Financial Activities)	(3,408,799)	17,491,257
Adjustments for:		
Assets and liabilities inherited on conversion	-	(19,880,817)
Depreciation	251,701	155,633
Capital grants from DfE and other capital income	(424,096)	(223,895)
Interest receivable	(2,364)	(573)
Defined benefit pension scheme obligation inherited	-	2,607,000
Defined benefit pension scheme cost less contributions payable	293,000	112,000
Defined benefit pension scheme finance cost	57,000	28,000
Increase in stocks	(2,388)	(34,273)
Increase in debtors	(264,400)	(150,753)
(Decrease)/increase in creditors	(49,916)	427,741
Revaluation of land and buildings in the year	3,813,000	-
Net cash provided by operating activities	262,738	531,320

23. Cash flows from financing activities

	2020 £	2019 £
Repayments of borrowing	(113,114)	-
Cash received on conversion	-	1,113,720
Net cash (used in)/provided by financing activities	(113,114)	1,113,720

24. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	2,364	573
Purchase of tangible fixed assets	(253,669)	(305,434)
Capital grants from DfE	312,811	43,635
Capital funding received from sponsors and others	111,285	180,260
Net cash provided by/(used in) investing activities	172,791	(80,966)

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25. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,886,489	1,564,074
Total cash and cash equivalents	1,886,489	1,564,074

26. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Other non- cash changes £	At 31 August 2020 £
Cash at bank and in hand	1,564,074	322,415	-	1,886,489
Debt due within 1 year	(113,114)	113,114	(32,512)	(32,512)
Debt due after 1 year	(32,512)	-	32,512	-
	1,418,448	435,529	-	1,853,977

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27. 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 Northamptonshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £113,868 were payable to the schemes at 31 August 2020 (2019 - £87,794) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,027,527 (2019 - £301,125).

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.

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £409,000 (2019 - £179,000), of which employer's contributions totalled £328,000 (2019 - £145,000) and employees' contributions totalled £ 81,000 (2019 - £34,000). The agreed contribution rates for future years are 23.6 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.7	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Inflation assumption (CPI)	2.2	2.3

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

	2020	2019
	Years	Years
Retiring today		
Males	21.5	21.2
Females	23.7	23.3
Retiring in 20 years		
Males	22.3	22.3
Females	25.1	24.7

Sensitivity analysis

Impact on value of scheme liabilities as reported:

	2020	2019
	£000	£000
Discount rate -0.5%	692	575
CPI rate +0.5%	629	516
Salary increase rate +0.5%	52	50

Share of scheme assets

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27. Pension commitments (continued)

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

	2020 £	2019 £
Equities	1,486,000	1,196,000
Bonds	344,000	282,000
Property	258,000	149,000
Cash and other liquid assets	65,000	33,000
Total market value of assets	2,153,000	1,660,000

The actual return on scheme assets was £84,000 (2019 - £82,000).

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

	2020 £	2019 £
Current service cost	(621,000)	(239,000)
Past service cost	-	(18,000)
Interest income	35,000	15,000
Interest cost	(92,000)	(43,000)
Liability on conversion	-	(2,607,000)
Total amount recognised in the Statement of Financial Activities	(678,000)	(2,892,000)

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

	2020 £	2019 £
At 1 September	4,518,000	-
Transferred in on existing academies joining the Trust	-	4,006,000
Current service cost	621,000	239,000
Interest cost	92,000	43,000
Employee contributions	81,000	34,000
Actuarial losses	35,000	178,000
Past service costs	-	18,000
At 31 August	5,347,000	4,518,000

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27. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	1,660,000	-
Transferred in on existing academies joining the trust	-	1,399,000
Interest income	35,000	15,000
Actuarial gains	49,000	67,000
Employer contributions	328,000	145,000
Employee contributions	81,000	34,000
At 31 August	2,153,000	1,660,000

28. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	44,390	73,039
Later than 1 year and not later than 5 years	14,161	42,861
	58,551	115,900

29. Members' liability

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

30. Related party transactions

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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31. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2020, the Trust received £18,178 (2019: £6,319) and distributed £13,303 (2019: £1,565) from the fund. An amount of £9,629 (2019: £4,754) is carried forward as undistributed funds at the period end.