

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**

**(A company limited by guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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|                                        |                                                                                                                |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------|
| <b>Members</b>                         | D J Blake MBE<br>J Burge<br>K Haisman BEM<br>P Stanbury-Jones<br>R M Smith<br>S Ash                            |
| <b>Trustees</b>                        | C G Hawkins<br>K Haisman, Chair<br>P K Luxon<br>R A Kelly<br>S Goldsmith, Vice Chair<br>R Goodchild<br>H Marsh |
| <b>Company registered number</b>       | 07226557                                                                                                       |
| <b>Company name</b>                    | Stour Valley Educational Trust Limited                                                                         |
| <b>Principal and registered office</b> | Cavendish Road<br>Clare<br>Sudbury<br>Suffolk<br>CO10 8PJ                                                      |
| <b>Chief executive officer</b>         | Rachel Kelly                                                                                                   |
| <b>Independent auditors</b>            | Larking Gowen LLP<br>Chartered Accountants<br>1 Claydon Business Park<br>Great Blakenham<br>Ipswich<br>IP6 0NL |
| <b>Bankers</b>                         | Lloyds Bank<br>30 Market Street<br>Sudbury<br>CO10 2EL                                                         |
| <b>Solicitors</b>                      | Browne Jacobson LLP<br>Mowbray House<br>Castle Meadow Road<br>Nottingham<br>NG2 1BJ                            |

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Senior management**

- R A Kelly - Head Teacher (Stour Valley)
- C Bank - Deputy Head (Stour Valley)
- K Cullimore - Trust Business Manager
- G Stronach - Assistant Head (Stour Valley)
- J Nunn - Assistant Head (Stour Valley)
- L Stranger - Head Teacher (Clare Primary)
- R Davies - Assistant Head (Clare Primary)
- M McIvor - Assistant Head (Clare Primary)

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust consists of two schools: Stour Valley Community School is a secondary school for pupils age 11-16 with 593 students on roll at the beginning of the year and Clare Community Primary School, with 199 students on roll.

The principal aim of Stour Valley Educational Trust Limited is to advance, for the public benefit, education in Clare and the surrounding area by establishing, maintaining and operating schools offering a broad curriculum.

**Structure, governance and management**

**a. Constitution**

Stour Valley Educational Trust Limited is a company limited by guarantee with no share capital (registration No. 07226557) and is an exempt charity. It is not required to be registered with the Charity Commission but is, however, subject to the Charity Commissioners' regulatory powers which are monitored by the Secretary of State for Education. The Memorandum and Articles of Association of Stour Valley Educational Trust Limited are the primary governing documents of the Trust.

The Trustees of Stour Valley Educational Trust Limited are also the directors of the charitable company for the purposes of company law.

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

**b. Members' liability**

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

**c. Trustees' indemnities**

There were no Trustee indemnity provisions during the year or at the date of approval of this report.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Structure, governance and management (continued)**

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

As and when new Trustees are required for appointment, consideration is made as to the skills needed to augment the effectiveness of the Board. The Trustees are appointed under the terms of Stour Valley Educational Trust Limited's Articles of Association as follows:

- The number of Trustees shall be not less than three
- Up to eight Trustees (excluding staff, parents, LA, ex officio and co-opted)
- A minimum of two Parent Trustees
- The Local Authority (LA) may appoint an LA Trustee
- The Headteacher as CEO Trustee
- Co-opted Trustees

The Trustees have a breadth of skills which are beneficial to the various sub-committees that support the Board of Trustees. The term of office for all Trustees, except the CEO, is four years. The CEO's term of office runs parallel with their contract of employment.

**e. Policies adopted for the induction and training of Trustees**

The training and induction provided for new Trustees will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the Academy Trust, and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and directors of Stour Valley Educational Trust Limited. In addition, the Trust buys in external training programmes. A record of attendance at training sessions is maintained by the Administration Team. As there is normally expected to be only a small number of new Trustees each year induction tends to be done informally and is tailored specifically to the individual.

**f. Organisational structure**

As specified in the Memorandum of Association, Stour Valley Educational Trust Limited is responsible for running Stour Valley Community School and Clare Community Primary School. The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academies by the use of budgets and making major decisions about the direction of the Academies, and senior staff appointments. The Trustees are responsible for the monitoring and performance of the Headteachers and Senior Leadership Team on a regular basis. Since January 2018 each of the schools within the Trust has a dedicated Local Governing Body with powers assigned through a Scheme of Delegation.

The Senior Leadership Team (SLT) of the Academy Trust are the CEO (also Headteacher of Stour Valley Community School) and CFO plus the two Headteachers, two Deputy Head Teachers and three Assistant Headteachers, one at SVCS and two at CCPS. The Headteacher of Stour Valley Community School is the CEO of the Trust and has line management responsibility for the Headteacher of Clare Primary Community School. These managers control the Academies at an executive level implementing the policies laid down by the Trustees and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment Boards for posts in the Senior Leadership Team always contain a Trustee. Spending control is contained within the Senior Leadership Team.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Structure, governance and management (continued)**

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

The Headteachers' performance management targets are set by the Chair of Trustees, or the CEO where appropriate, and the Chair of the relevant Local Governing Body, and are based in part on the School Development and Improvement Plan with additional personal development targets. The targets are reviewed regularly by the Chair of Trustees/CEO. The Headteachers set performance targets for other members of the SLT. All staff in Stour Valley Educational Trust are employed on the terms of the National Pay and Conditions framework. Performance against targets is reviewed for all SLT members within the timelines set down in the framework and salary increases are awarded accordingly, where appropriate. All amendments to key management's pay and remuneration are approved by the appropriate committee and ratified by the Board of Trustees.

**h. Trade Union facility time**

Number of employees who were relevant union officials during the year - 2 (Full-time equivalent employee number - 1.66).

**Percentage of time spent on facility time**

The schools hosted/participated in six meeting sessions during the course of the year where staff were invited to discuss topics with their union officials and staff. It is estimated that the total time spent on union business over the year is between 5-10% during term time. In total this amounts to approximately £4,430–8,860 per annum.

**i. Related parties and other connected charities and organisations**

The Trustees are not aware of any connected organisations or related party transactions during the year other than those disclosed in note 30 to the financial statements. The Trust also receives donated goods and gifts from the parents of both schools which are donated for school purposes.

**Objectives and activities**

**a. Objects and aims**

The principal objective and activity of Stour Valley Educational Trust Limited is the operation of Stour Valley Community School and Clare Community Primary School to provide education for pupils of different abilities between the ages of 5 to 16.

The wider objective of the Academy Trust is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 Academies offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provisions for pupils with Special Educational Needs.

In addition to being governed by its Articles of Association, Stour Valley Educational Trust Limited entered into a Funding Agreement on 27 May 2011 with the Secretary of State for Education. Clare Community Primary School was transferred to the Trust under a Funding Agreement dated 28 March 2017. The Funding Agreements specify, amongst other things, the basis for admitting students to the schools, the catchment area from which the

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Objectives and activities (continued)**

students are drawn, and that the broad and balanced curriculum includes English, Mathematics and Science.

**b. Objectives, strategies and activities**

The Trust's strategies are grouped under the strapline 'Stour Valley Educational Trust, With Community at its Heart'. The strands are set out below.

**Our Vision**

Stour Valley Educational Trust will provide a secure, stimulating, and inclusive centre of academic excellence in rural education. Central to our vision is the belief in the uniqueness of every student, and that every young person has gifts to discover and share with others. We are committed to building brighter futures for our students, our local community and the wider world. We want our students to be happy and confident, but also be caring and value diversity. Above all we want them to have a thirst for knowledge and a real enthusiasm for life.

**Our Mission**

Our mission is to open students' minds to their personal potential and enable them to aspire to brighter academic, professional and vocational futures in our community and beyond. This in turn will lead our students to achieve economic independence with national and international employers or with the growing regionally based industries in Suffolk, Cambridge and Essex.

**Values**

Be Kind, Be Brave, Be Ambitious, Collaborate

**Our Strategic Priorities**

**Sustainability**

Sustaining our Trust as a centre of academic excellence in rural education at secondary and primary level is our overarching strategic objective. Academic excellence will be delivered by the schools in our Multi Academy Trust that serve the communities of Clare and surrounding villages, which retain their individual identity and champion the Trust's values, while seeking out and sharing best practice in all aspects of education.

Our sustainability will require our schools to attract consistently high student numbers, to continually manage budgets closely, and to develop new income streams.

**Continuous Improvement**

To further sustain our Trust, we must be better at everything we do! If we are not continually getting better at everything we do then we are either standing still or going backwards. As custodians of our students' futures, we have a duty to deliver the very best in curriculum and teaching and learning strategies supported by effective processes and strong communications.

Continuous development of our staff and the seeking out of best practice in teaching and learning, pastoral care and the well-being of staff and students, will enable us to challenge the content and delivery of our curriculum to ensure that it meets the current and developing needs of all our students. This will require a defined and measurable cycle of continuous improvement across the Trust and will lead to improving levels of student outcomes.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Objectives and activities (continued)**

Strong governance by Trustees and Governors will be critical to our success: external and self-assessment of our governance will lead to further trustee/governor training and development.

**Inspired learners**

It is our responsibility to develop our students into curious, enquiring and inspired learners who have a true thirst for knowledge which goes well beyond the confines of national examinations and a broad and balanced curriculum. By opening students minds we can engender a love of learning and self-improvement which will enrich their personal and professional lives. Our curriculum and extra-curricular activities must take every opportunity to challenge our students to become inquisitive and inspired learners.

**Community**

The schools in our Trust are rooted in their local community. Our schools are themselves communities. Whether looking inward within our schools or outward into local society, it is our duty as custodians of our young people's futures to ensure that they understand the benefits and responsibilities that come with being in a strong and caring community. There are unwritten rules of mutual respect and understanding, of decency and behaviour, and of mutual support and caring. It is our duty to ensure that students engage in a wide range of activities and are equipped with an understanding of community and civic responsibilities so they can take a full part in their communities now and in later life.

**Collaboration**

We will embrace the opportunities offered by working collaboratively and building partnerships with colleagues in suitable schools, Trusts and other organisations to raise attainment for all young people.

Collaboration will be a vital tool to improve teaching and learning, leadership, the use of data and assessments and to add capacity to our critical school support systems through traded service level agreements.

We will actively seek out partners, ideally those with similar characteristics or ethos to our own, where possible geographically close, and with the same commitment to 'getting better at what we do'.

**c. Public benefit**

In setting the objectives, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The objective of the Academy Trust is to advance for the public benefit education in Clare and the surrounding area.

Staff and students at both Trust schools regularly engage in community activities in support of local community groups and with local businesses.

**Suffolk Hope Award**

A group of Stour Valley students, now in Year 11, won a HOPE Award for teamworking. The award is to recognise and celebrate the positive contributions that young people make in Suffolk. They led the school response to sexual harassment in schools by creating an awareness video, developing the school Code of Ethics, which all came from the data they compiled from questionnaires they devised to assess the extent of the issue. They also fundraised for victims and advice for young people on how to stand up for themselves and others.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Objectives and activities (continued)**

**Memorial Garden – a tree planting**

On 23rd September 2022 SVCS staff and students came together to plant a tree in memory of Her Majesty Queen Elizabeth II. Given the significant national changes and the end of an era, it seemed appropriate to create a memorial within the school grounds in memory of Queen Elizabeth II that would provide a focal point for students now and in the years to come. The tree, which is situated at the front of the school, is also the site for Remembrance Day, providing the backdrop for the poppy wreaths which the students lay on or around 11th November each year.

**Wellbeing Garden/Quiet Area**

The CCPS School Council conducted a pupil survey which highlighted areas where children felt worried. As a result the following happened: a worry box, a suggestion box and also increased roles and responsibilities by setting up Year 5 and 6 lunchroom monitors, corridor monitors and play leaders. The pupil survey revealed that pupils are keen to have an improved quiet area in the playground. CCPS applied for the Covid memorialisation fund and CCPS were awarded £3000 to create a new wellbeing garden/quiet area. The wellbeing garden includes many plants and flowers, new ladybird bins, lots of new seating including Buddy Benches and a shelter for children to sit and chat or read in. During Science week each child painted a pebble that was cemented into an area near the outside the hall that is always muddy. Watering and Weeding rotas have been set up and School Councilors will be visiting the Buddy benches regularly during playtimes. Stour Valley also applied for this fund and Stour Valley received around £8,000 to create a wellbeing garden/quiet area in the school grounds.

**Green Projects and Initiatives**

SVCS have been driving forward with new initiatives and campaigns. Since the summer term, students and staff have been encouraged to bring in containers for takeaway meals from the canteen or sit in and use a plate. This is to reduce the amount of packaging used by the canteen and also reduce the amount of litter around the school site. Phasing out plastic bottles is in progress, so students will bring in a reusable bottle. There are always jugs of water in the hall during break and lunch times.

In November 2022 students from SVCS and CCPS helped plant 450 saplings in Clare, in an area that will one day become a wood. In January a further 450 trees were planted to increase the size of the wood. The field where these trees are planted was gifted to Clare Town Council by David Byford, to be leased to the park to commemorate the Queen's Platinum Jubilee. The area will be known as Charlie's Wood, as Charlie is a Byford name.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

Major KPIs on which the Trustees receive regular reports include:

- Student numbers
- Expenditure budgets and cash flow
- Student behaviour
- Reports on progress in teaching and learning
- Progress towards school targets

**Stour Valley Community School GCSE Targets and Outcomes**

**Context**

Predictions of progress 8 for this cohort are complicated by the national policy to return exam results to pre-COVID levels. As such there has been a reduction in the number of grades 7-9 awarded nationally. Additionally, there has been a large increase in the number of 3 grades awarded across all subject areas. It is also worth considering that this year were heavily affected by COVID closures during key stage 3, the impact of which, needs to be recognised.

In 2023 students achieving 4+ in English and Maths did not meet expectations but it is worth noting that the 5+ and 7+ targets were exceeded.

There were 18 Pupil Premium students in the year group. There was a negligible (less than 0.3) gap in progress between PP and non-PP students in Combined Science and Drama.

SEND students, by definition, have additional learning needs. Each individual has a personalised plan and subjects which they find more and less challenging. Learning support should allow those students to work towards at least expected progress. Subjects where SEND students made at least expected progress were Maths, Biology, Chemistry, Physics, Combined Science, Art, Drama, Geography, Graphics, Photography, Psychology and RM. Overall, progress of SEND students exceeded that of non-SEND students.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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Strategic report (continued)

Achievements and performance (continued)

|                          |              |   |             |                                 |
|--------------------------|--------------|---|-------------|---------------------------------|
| <b>2023 E &amp; M 4+</b> | <b>60.2</b>  | % | <b>69.2</b> | <b>2023 TARGET E &amp; M 4+</b> |
| <b>2023 E &amp; M 5+</b> | <b>43.2</b>  | % | <b>41.5</b> | <b>2023 TARGET E &amp; M 5+</b> |
| <b>2023 E &amp; M 7+</b> | <b>11.9</b>  | % | <b>9.3</b>  | <b>2023 TARGET E + M 7+</b>     |
| <b>2023 ATTAINMENT 8</b> | <b>47.6</b>  |   | <b>52.1</b> | <b>2023 TARGET ATTAINMENT 8</b> |
| <b>2023 PROGRESS 8</b>   | <b>-0.04</b> |   | <b>0.0</b>  | <b>2023 TARGET PROGRESS 8</b>   |

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Student numbers**

SVCS continued to receive mid-year transfers of students and was successful at attracting students for the 2023/24 academic year. The number of students on roll as at October census 2023 was 585 with the new Year 7 intake being significantly oversubscribed once again.

CCPS continues to grow in popularity as a result of a clear vision of excellent standards in the core subjects supported by an emphasis on the creative curriculum. Student numbers were at 198 for October 2023 census, right up from October 2021 census (which was at 180) with 191 on roll at the census in October 2022.

**Clare Community Primary School Targets and Outcomes**

SATs results were all improved on last year, reading and writing considerably so.

GPS = 70% (21/30) at expected standard or above, including 13% Greater Depth;  
Reading = 87% (26/30) at expected standard or above, including 27% Greater Depth;  
Maths = 57% (17/30) at expected standard or above, including 7% Greater Depth;

...and Writing, following county moderation, is also 70% (21/30) at expected standard or above, including 7% Greater Depth.

Very pleasing results in Reading, Writing and GPS, including a few nice surprises for children had been assessed as Working Towards, but who scored 100+ on the day.

Maths was improved on last year, but not at target expected standard. There were no surprises - five children had a frustratingly close standardised score of 98, against the expected standard of 100.

**Ofsted**

Stour Valley Community School

Inspectors carried out this graded inspection under section 5 of the Education Act 2005 in April 2023.

This was the first routine inspection the school received since the COVID-19 pandemic began. Inspectors discussed the impact of the pandemic with leaders and have taken that into account in their evaluation of the school.

Inspectors carried out deep dives in the following subjects: art, English, languages, mathematics and science. For each deep dive: inspectors met with curriculum leaders; looked at curriculum plans; visited a sample of lessons; spoke with teachers; spoke with some pupils about their learning and looked at samples of pupils' work.

In addition to meetings with the headteacher and senior leadership team, inspectors met with leaders in the following areas: human resources; careers; behaviour and attendance; personal development; safeguarding and pupils with SEND.

Inspectors met with the trust chief executive officer and vice chair of trustees to discuss the role of the trust. Inspectors met with representatives from the local governing board regarding governance.

To gather their views on the school, inspectors spoke in formal meetings with groups of pupils. Inspectors spoke with pupils around the school site while they observed break and lunchtimes. Inspectors also considered 98

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Strategic report (continued)**

**Achievements and performance (continued)**

responses to Ofsted's online survey for pupils.

Inspectors met with leaders to discuss the use of alternative provision and the very small number of pupils on part-time timetables. An inspector spoke with a representative sample of parents. To evaluate the school's safeguarding culture, inspectors viewed safeguarding records and procedures, and met with a range of pupils, staff and leaders.

The 90 responses and 62 free-text responses made by parents to the online survey for parents, Ofsted Parent View, were considered. Inspectors also took account of the 48 responses to Ofsted's online staff questionnaire. Students were exceptional and this was reflected in the Ofsted comments: 'Pupils and staff forge positive and supportive relationships. Pupils feel comfortable to talk to staff. Pupils experience a culture where their well-being is prioritised. This includes access to mentoring and counselling. They value the range of different ways to report any worries, including anonymously. Consequently, pupils feel happy and safe.'

Staff were also recognised in the report: 'Positive relationships and engaging lessons ensure that pupils' learning is rarely disrupted. Leaders provide tailored support to help pupils address any root causes of behaviour issues.'

Finally, the governors, and their role in supporting leaders was recognised and commented on by inspectors: 'Leaders, including governors, know the school and take effective action to bring about improvement. They engage effectively with staff to ensure that any concerns about workload or well-being are well supported.' The Trust was ably represented by Suzanne Goldsmith.

The school remains a GOOD school, graded GOOD in all areas.

**c. 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 they continue 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 accounting policies.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Strategic report (continued)**

**Financial review**

**a. Financial review**

Stour Valley Educational Trust Limited's accounting period is from 1 September 2022 to 31 August 2023. Most of the Academy Trust's income was obtained from the Education Funding Agency (EFA), an executive arm of the Department for Education (DfE), in the form of General Annual Grant (GAG) which is the per capita funding required to run the school and deliver the curriculum. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

As central government funding has become tighter and not kept pace with wage inflation it has been necessary to implement still tighter controls over internal cost centres, to keep all expenditure within allocated budgets and seek efficiencies. Unless government funding improves, Trustees are aware that similar challenges will be faced in future years. The Trustees have continued to maintain the curriculum to meet the needs of all ability levels of our student population.

The in-year deficit for the Trust, being the change in restricted funds (excluding pension reserves) plus unrestricted funds, was £8,120.

**b. Reserves policy**

The Trustees review the reserve levels monthly. The review takes into account the nature of the income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep the level of reserves under review.

The Trustees have agreed to aspire to a level of reserves equivalent to one month's expenditure which equates to £400,000. The Academy Trust currently holds £159,350 of unrestricted reserves and £287,734 of restricted general funds. Reserves are currently meeting of our target level, however with the uncertainty surrounding future funding levels, it is not clear that the aspiration to hold one month's expenditure as reserves will be possible in the near future.

As at 31 August 2023, the Trust held total funds of £8,418,224, of which £8,258,874 was restricted funds, including fixed assets which were carried at £7,791,140.

Restricted funds include a pension fund of £Nil.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**c. Principal risks and uncertainties**

**Financial and Risk Management Objectives and Policies**

The Trustees have assessed the major risks to which the trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust. The Trustees have implemented a number of systems to assess risks that the trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls, in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The School has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

The school has a comprehensive set of policies covering inter alia the teaching of the curriculum, the management of school facilities and operational procedures. These policies were reviewed by the relevant committees in the year under review.

During the year the Trustees continued to develop their comprehensive risk management procedures for the Academy Trust. These help to identify and monitor the risks faced by the Academy Trust. The key risk areas identified for inclusion are Strategy, Governance, Skills, Health and Safety including Covid risks, Safeguarding, IT, Business continuity and Financial Reporting and Management related. A point scoring mechanism has been in place with a greater emphasis directed towards those areas identified as being higher risk.

In May 2023 the required DfE RAAC surveys were completed and returned for both Stour Valley Community School and Clare Community Primary School. These were visual surveys only undertaken by the Site team which did not detect any obvious RAAC present. At the end of the summer holiday it became obvious that government attention had sharpened and schools were suffering the impact of RAAC discovery. The Trust took the decision to appoint an independent structural surveyor to undertake intrusive investigations at both sites. The result of these was that the primary school did not have any RAAC present (confirmed by the DfE as unlikely to be present), whilst the secondary school did have some RAAC present in the ceiling of the upper floor music block. Reports were forwarded to the DfE who confirmed the entire music block would need to be out of bounds pending a further report to ascertain whether or not emergency remedial action could be taken to make at least part of the building safe and usable. These supplementary reports did show that emergency work to install Acrow props to the ceiling in the upper floor of the building would allow safe use of the ground floor. This report, together with a scope of works for the initial phase 1 emergency works, has been sent to the DfE for approval prior to commencement of the works. It is anticipated that phase 2 – to rectify the ceiling in the upper floor permanently – will be developed with the surveyor, DfE and local contractors. This work will not take place until 2024. The DfE has confirmed that emergency costs will be covered by them, as well as surveyors fees. Costs for phase 2 will need to be provided in triplicate to the DfE prior to any further agreement.

Stour Valley Community School had a new boiler installation as part of a CIF bid in 2021 which required some attention over the summer and autumn 2023. This work involved replacing some underground pipework which has now been completed.

In November 2023 the suspended gym ceiling at Stour Valley Community School was damaged due to water ingress through roof tiles following exceptionally heavy and prolonged rain in the area over the summer and early autumn.



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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**d. Investment policy**

The Investment policy has been approved by the Resources Committee. Surplus funds may only be invested in cash deposits with the leading High Street banks for periods which deliver the best financial returns to the Academy Trust while ensuring that the Trust has access to sufficient liquidity to meet all financial obligations when due.

**Fundraising**

The Trust only undertakes fundraising through non-uniform days and other small events such as cake sales and Summer and Christmas Fetes which are organised internally or by the Parent Teachers and Friends Association. These events raise vital additional funds for the academy schools within the Trust. The Trust does not use any professional fundraisers or commercial participators. The Trust understands its responsibilities to protect the public, including vulnerable people, from reasonably intrusive or persistent approaches and undue pressure to donate. All fundraising is undertaken in a fun and friendly environment.

**Plans for future periods**

Over recent years the Trustees have monitored closely political developments and ambitions in Government policy towards Multi Academy Trusts (MATs). The general move in education towards larger MATs was also notable with the rationale that larger MATs can deliver better educational outcomes, greater development opportunities for staff and cost-effective management structures.

Early in this academic year Trustees agreed to review strategic options for growth with MATs within a logical geographical range, and where there is a similar ethos and approach to curriculum.

Working with experienced consultants over a 3-month period a range of MATs were assessed via a desktop study of publicly available information and this work was then extended to a series of rigorous meetings with MAT CEOs and Chairs of Trustees. After discussion with senior stakeholders within the Trust, the Board has decided to open discussions with the DfE to consider our option evaluation and possible growth options.

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

The Academy Trust does not hold any funds as Custodian Trustee.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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 20 December 2023 and signed on its behalf by:



.....  
**K Haisman**  
Chair of Trustees

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Stour Valley Educational Trust Limited 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.

Trustees also acknowledge that the estate encompassed by both Clare Community Primary school and Stour Valley Community school is both an asset and a mechanism to delivery outcomes for students. As such we manage this estate strategically and effectively and maintain it in a safe working condition. This includes complying with statutory duties to ensure the health and safety of building occupants. We achieve this by delegating the day-to-day responsibilities to the Senior Site Manager, CEO and CFO who use information within the Condition Data Collection report in addition to timed regular scheduled statutory checks carried out by qualified and responsible external agencies, and which are fully recorded. Any issue raised in any external inspection reports are actioned by the Senior Site Manager to effect a satisfactory resolution. Site reports are submitted to all LGB and Trust Board meetings and discussed and minuted as part of the meeting. Each term the LGB takes a walk of their estate with the Senior Site Manager to check on any potential issues. These are formally noted on our maintenance review document and actioned accordingly.

The board of Trustees has arranged a meeting to review the use of Trust Reserves with a specific aim of setting out a rolling plan of programmed work to improve site facilities.

The Trust has benefitted from Condition Improvement Fund work at Stour Valley Community school having had new boilers and roofing work carried out.

**Governance**

The information on governance included here supplements that described in the Trustees' report. The board of Trustees has formally met 3 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 |
|-------------------------|-------------------|-------------------|
| K Haisman, Chair        | 3                 | 3                 |
| S Goldsmith, Vice Chair | 3                 | 3                 |
| C G Hawkins             | 3                 | 3                 |
| P K Luxon               | 3                 | 3                 |
| R A Kelly               | 3                 | 3                 |
| R Goodchild             | 2                 | 3                 |
| H Marsh                 | 3                 | 3                 |

The composition of the Board of Trustees during the 2022-23 period included sub-committees of a Resources Committee, dealing specifically with MAT finance, human resources and premises issues, an Audit Committee, dealing with oversight of regularity and control, a Pay committee which dealt solely with pay progression and salary percentage increases, and a Local Governing Body for each individual school.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

**Conflicts of Interest**

An electronic register of interests of trustees and governors is maintained by the Trust Business Manager and is available to view on Governorhub. Trustees and governors are required to update/confirm their interests at the beginning of each academic year. Each Trust Board meeting, Local Governing Body meeting and Resources Committee meeting begins with a requirement for members to declare any interest or conflict with any item on the meeting agenda.

The Trustees reflected on issues faced during the year using a variety of means, including:

- The framework for Trustees under the Academies Financial Handbook which outlines their responsibilities
- Use of Governor Hub to plan, implement and disseminate information to all Trustees
- Training for trustees and heads – using both internal and external providers
- Review of the Trust’s business plan
- Updating of the risk register regularly

In addition to the ongoing reviews as mentioned above Trustees also considered:

- Vision, ethos and strategy
- Governance structures
- Values and Behaviours
- Trustee Board effectiveness and skills
- Engagement
- Effective accountability of the executive leadership
- Impact on outcomes for pupils

In order to assess and review these areas, Trustee meetings through year were provided with a wide variety of source information including data and improvement reports for each individual school which identify strengths and weaknesses at local levels. Financial management reports taken directly from the management information system, FMS, ensured up to date information was received in a timely manner at each meeting, and these reports were posted on a monthly basis onto Governor Hub so that Trustees – including the Chair of Trustees and the Chair of the Trust Resources Committee – could review them in between meetings. Internal audit reports, risk assessments and analysis data from external sources were all used to aid the Trustees in assessing the effectiveness of their governance and progress of the Trust. The Trustees appointed School Business Services to carry out two Internal Audit reviews during the financial year, one in February and the other in May.

The Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to agree local budgets, monitor and approve financial and operational standards.

Attendance during the year at meetings was as follows:

| Trustee            | Meetings attended | Out of a possible |
|--------------------|-------------------|-------------------|
| S Goldsmith, Chair | 3                 | 3                 |
| C G Hawkins        | 3                 | 3                 |
| R A Kelly          | 3                 | 3                 |
| H Marsh            | 3                 | 3                 |
| P K Luxon          | 3                 | 3                 |

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide internal scrutiny to ensure that financial controls and risk management procedures are robust and effective.

Attendance during the year at meetings was as follows:

| Trustee     | Meetings attended | Out of a possible |
|-------------|-------------------|-------------------|
| C G Hawkins | 3                 | 3                 |
| S Goldsmith | 3                 | 3                 |
| R A Kelly   | 3                 | 3                 |
| P K Luxon   | 3                 | 3                 |
| H Marsh     | 3                 | 3                 |

The Pay Committee is also a sub-committee of the main Board of Trustees. Its purpose is to agree pay progression and salary incremental increases.

Attendance during the year at meetings was as follows:

| Trustee            | Meetings attended | Out of a possible |
|--------------------|-------------------|-------------------|
| R Goodchild, Chair | 1                 | 2                 |
| S Goldsmith        | 2                 | 2                 |
| K Haisman          | 2                 | 2                 |
| R A Kelly          | 2                 | 2                 |
| H Marsh            | 1                 | 2                 |

The Trust recognises the importance of strong governance and regularly reviews all tiers of governance through meetings with the chairs of the local governing bodies. In line with national interpretation of the accountability framework, work has been undertaken to construct a robust local governing body within each academy school which links directly to the Trust Board and via its sub-committees. Full Terms of Reference for all tiers of governance have been introduced. This structure also includes, since 2019, the introduction of an Audit Committee, sitting within the Resources Committee, in compliance with the Academies Financial Handbook.

The Chair of Trustees currently engages in the national governance arena and his access to current thinking through the Confederation of School Trusts and the NGA has influenced the strategic governance and accountability decisions within the Trust.

The Trust Board membership encompasses significant experience of working in governance in both the education and business environment, and has been selected with a range of specific skills in mind, covering finance, audit & accountancy, business management, building surveyance and human resources.

The Academies Accounts Direction requires Trusts, where the Board has met less than six times during the year, to include a statement on the maintenance of effective oversight. All Trustees receive monthly summary and full financial reports for each school comprising:

Current Budget,  
Actuals to Date,  
Commitments,  
Total Actuals + Commitments  
Income or Expenditure Remaining to Meet Budget  
Forecast Year End Actual Position

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

% Received or Spent to Date  
Expected % Year to Date  
Comments

The Chair of Trustees and the Chair of the Resources Committee review the reports monthly with the Trust Business Manager and agree any actions necessary.

The Risk Assessments are reviewed in each school by the CEO who reports changes to Trustees on an exception basis.

The focus for Trust Board development in the next academic year is on:

- Continued communication with and training of Trustees and LGBs to ensure that all tiers of governance carry out their roles and responsibilities effectively and efficiently. The recently launched range of training programmes from the Confederation of School Trusts may prove beneficial.
- Encouraging Trustees and Governors to extend their networks to other trusts and sector bodies

**Governance Reviews**

In the Spring Term 2023 trustees undertook a review of effectiveness of governance in the Trust Board and both Local Governing Bodies. In addition, all trustees and governors completed a skills audit. The proformas used were as recommended by the National Governance Association.

Trust Board effectiveness: there were 2 key findings:

- i) While the Trust has a clear vision and long-term strategy, it was considered that a greater contribution from the academies and consequent buy-in from staff could be achieved. Training and communication events were held for all staff during the year and academies will have a wider representation at future strategy awaydays.
- ii) The review challenged whether the academies receive benefit from collaboration with other local schools and employers.

Each Local Governing Body now has a Trustee as a guest at their meetings to ensure good two-way communication.

**Review of value for money**

As Accounting Officer, the CEO has responsibility for ensuring that the 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- long term contracts being regularly reviewed and compared against other providers, in order to achieve the best price without compromising quality;
- reviewing the audit provision with a full tender process which resulted in a better and more robust service being secured;

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money (continued)**

- using economies of scale available as a Multi-Academy Trust with purchases of print, broadband and IT equipment, for example;
- undertaking a review of external services we are currently purchasing to look at opportunities to secure better, more cost effective provision e.g. payroll and contract management.

**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 Stour Valley Educational Trust Limited for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has decided to employ School Business Services as internal auditor.

The board of trustees has decided to buy-in an internal audit service from School Business Services (SBS). This option has been chosen because SBS has a strong track record and breadth of service provision. They also have a positive expertise in these areas and has been working closely with the Academy Trust for over 12 years.

The internal auditor's role 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:

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**GOVERNANCE STATEMENT (CONTINUED)**

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**The risk and control framework (continued)**

Review 1 – 02 February 2023

1. Monthly Management Reporting:
  - a. Management reports are completed in a timely manner each month
  - b. Management reports are submitted for review to the relevant SLT and governors
  - c. Supporting schedules are prepared monthly and are reconciled to management reports
2. Year End Procedures:
  - a. Financial statements have been independently reviewed and submitted within the required timescales
3. Budgeting:
  - a. The annual budget is realistic, has been approved by governors and submitted to the ESFA within the required timescales
  - b. There is ongoing review and monitoring of the budget
  - c. Budget Forecasts are compiled accurately, based on realistic assumptions
  - d. There is a suitable and realistic reserves policy
  - e. There is a School Development Plan which drives the formulation of the budget

Review 2 – 04 May 2023

1. GAG Income:
  - a. GAG income received is in line with the ESFA Statement and has been recorded correctly
2. Non-GAG Grant Income:
  - a. Non-GAG Grant income received is in line with statement from the Local Authority and recorded correctly
3. Other Income:
  - a. All other income is recorded correctly
  - b. There is adequate control over aged debtors
  - c. Ensure appropriate approval for write offs has taken place as documented in the Finance Manual
4. Banking Procedures:
  - a. There is adequate control over bank accounts and balances
  - b. There is adequate control over petty cash
  - c. There is adequate control over the use of charge cards
5. Assets:
  - a. Assets are adequately recorded
  - b. Loaned assets adequately recorded

On a bi-annual basis, the internal auditor reports to the board of trustees, through the Internal Audit Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditor prepares a 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 internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.



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**GOVERNANCE STATEMENT (CONTINUED)**

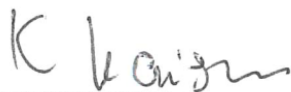
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**Review of effectiveness**

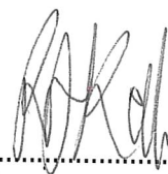
As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial benchmarking processes and the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources Committee and a plan is in place to ensure continuous improvement of the system.

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



.....  
**K Haisman**  
Chair of Trustees  
Date: 20 December 2023



.....  
**R Kelly**  
Accounting Officer

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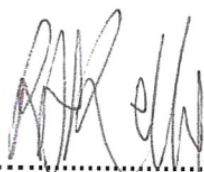
**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Stour Valley Educational Trust Limited 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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 Academy Trust Handbook 2022.

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



.....  
**R A Kelly**  
Accounting Officer  
Date: 20 December 2023

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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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:

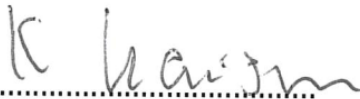
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

  
.....  
**K Haisman**  
(Chair of Trustees)  
Date: 20 December 2023

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR VALLEY EDUCATIONAL TRUST LIMITED**

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### **Opinion**

We have audited the financial statements of Stour Valley Educational Trust Limited (the 'academy trust') for the year ended 31 August 2023 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 2022 to 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 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**

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

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

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

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 year 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.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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**Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, 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.

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

Due to the field in which the Company operates, we identified the areas most likely to have a direct material impact on the financial statements as compliance with tax legislation, accounting standards and requirements, including Charities SORP (FRS 102) and the Academies Accounts Direction 2022 to 2023, the Companies Act 2006 and charity law. In addition, we considered the provisions of other laws and regulations which whilst not having a direct impact on the financial statements, are fundamental to the Company's ability to operate, including Academy Trust Handbook 2022, funding agreements, safeguarding requirements, health and safety; employment law, data protection and compliance with various other regulations relevant to the conduct of the Company's operations.

Our approach to identifying and assessing the risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, included the following:

- Enquiries with management, the accounting officer and the trustees about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace, safeguarding breaches, data breaches, potential litigation or claims and fraud;
- Considering the conclusion of our assurance report on regularity to the Company and the Education and Skills Funding Agency;
- Reviewing the Accounting Officers Statement on Regularity, Propriety and Compliance;
- Review the findings of the Company's internal scrutiny;
- Reviewing legal and professional fees to confirm matters where the Company engaged lawyers during the year;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing board and finance committee minutes and any relevant correspondence with external authorities,

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF STOUR VALLEY EDUCATIONAL TRUST LIMITED (CONTINUED)**

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including regulators;

- Challenging assumptions and judgements made by management in their significant accounting estimates, particularly around the actuarial assumptions used to estimate the Local Government Pension Scheme defined benefit obligation; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of any significant transactions outside the normal course of business.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

#### **Use of our report**

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

*Larking Gowen LLP*

#### **Giles Kerkham (senior statutory auditor)**

for and on behalf of

**Larking Gowen LLP**

Chartered Accountants  
Statutory Auditors

Ipswich

Date: 21/12/2023

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOUR  
VALLEY EDUCATIONAL TRUST LIMITED AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 27 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Stour Valley Educational Trust Limited during the year 1 September 2022 to 31 August 2023 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 Stour Valley Educational Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Stour Valley Educational Trust Limited 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 Stour Valley Educational Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Stour Valley Educational Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Stour Valley Educational Trust Limited's funding agreement with the Secretary of State for Education dated December 2014 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.



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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO STOUR  
VALLEY EDUCATIONAL TRUST LIMITED AND THE EDUCATION & SKILLS FUNDING AGENCY  
(CONTINUED)**

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**Approach**

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

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

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

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

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2022 to 2023. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Governors
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest
- Observation and re-performance of the financial controls
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Larking Gowen LLP*

**Larking Gowen LLP**  
Chartered Accountants  
Statutory Auditors

Date: 21/12/2023

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

|                                                            | Note | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|------------------------------------------------------------|------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|-----------------------------|
| <b>Income from:</b>                                        |      |                                    |                                  |                                                 |                             |                             |
| Donations and capital grants                               | 3    | 1,491                              | 999                              | 89,415                                          | 91,905                      | 85,881                      |
| Other trading activities                                   |      | 20,972                             | 73,642                           | -                                               | 94,614                      | 90,395                      |
| Net interest on LGPS                                       | 6    | -                                  | 9,000                            | -                                               | 9,000                       | 77                          |
| Charitable activities                                      |      | 85,549                             | 4,657,152                        | -                                               | 4,742,701                   | 4,477,587                   |
| <b>Total income</b>                                        |      | <b>108,012</b>                     | <b>4,740,793</b>                 | <b>89,415</b>                                   | <b>4,938,220</b>            | <b>4,653,940</b>            |
| <b>Expenditure on:</b>                                     |      |                                    |                                  |                                                 |                             |                             |
| Charitable activities                                      |      | 154,661                            | 4,651,672                        | 277,669                                         | 5,084,002                   | 5,111,281                   |
| <b>Total expenditure</b>                                   |      | <b>154,661</b>                     | <b>4,651,672</b>                 | <b>277,669</b>                                  | <b>5,084,002</b>            | <b>5,111,281</b>            |
| <b>Net (expenditure)/income</b>                            |      | <b>(46,649)</b>                    | <b>89,121</b>                    | <b>(188,254)</b>                                | <b>(145,782)</b>            | <b>(457,341)</b>            |
| Transfers between funds                                    | 19   | -                                  | (85,592)                         | 85,592                                          | -                           | -                           |
| <b>Net movement in funds before other recognised gains</b> |      | <b>(46,649)</b>                    | <b>3,529</b>                     | <b>(102,662)</b>                                | <b>(145,782)</b>            | <b>(457,341)</b>            |
| <b>Other recognised gains:</b>                             |      |                                    |                                  |                                                 |                             |                             |
| Actuarial gains on defined benefit pension schemes         | 26   | -                                  | 35,000                           | -                                               | 35,000                      | 1,481,000                   |
| <b>Net movement in funds</b>                               |      | <b>(46,649)</b>                    | <b>38,529</b>                    | <b>(102,662)</b>                                | <b>(110,782)</b>            | <b>1,023,659</b>            |
| <b>Reconciliation of funds:</b>                            |      |                                    |                                  |                                                 |                             |                             |
| Total funds brought forward                                |      | 205,999                            | 249,205                          | 8,073,802                                       | 8,529,006                   | 7,505,347                   |
| Net movement in funds                                      |      | (46,649)                           | 38,529                           | (102,662)                                       | (110,782)                   | 1,023,659                   |
| <b>Total funds carried forward</b>                         |      | <b>159,350</b>                     | <b>287,734</b>                   | <b>7,971,140</b>                                | <b>8,418,224</b>            | <b>8,529,006</b>            |

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 36 to 68 form part of these financial statements.

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07226557**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

|                                                         | Note | 2023<br>£               | 2022<br>£               |
|---------------------------------------------------------|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |      |                         |                         |
| Intangible assets                                       | 14   | 450                     | 1,350                   |
| Tangible assets                                         | 15   | 7,964,208               | 8,070,763               |
|                                                         |      | <u>7,964,658</u>        | <u>8,072,113</u>        |
| <b>Current assets</b>                                   |      |                         |                         |
| Debtors                                                 | 16   | 83,967                  | 98,612                  |
| Cash at bank and in hand                                |      | 659,511                 | 693,568                 |
|                                                         |      | <u>743,478</u>          | <u>792,180</u>          |
| Creditors: amounts falling due within one year          | 17   | (275,853)               | (318,672)               |
|                                                         |      | <u>467,625</u>          | <u>473,508</u>          |
| <b>Total assets less current liabilities</b>            |      | <u>8,432,283</u>        | <u>8,545,621</u>        |
| Creditors: amounts falling due after more than one year | 18   | (14,059)                | (16,615)                |
| <b>Net assets excluding pension asset</b>               |      | <u>8,418,224</u>        | <u>8,529,006</u>        |
| <b>Total net assets</b>                                 |      | <u><u>8,418,224</u></u> | <u><u>8,529,006</u></u> |
| <b>Funds of the Academy Trust</b>                       |      |                         |                         |
| <b>Restricted funds:</b>                                |      |                         |                         |
| Fixed asset funds                                       | 19   | 7,971,140               | 8,073,802               |
| Restricted income funds                                 | 19   | 287,734                 | 249,205                 |
| <b>Total restricted funds</b>                           | 19   | <u>8,258,874</u>        | <u>8,323,007</u>        |
| <b>Unrestricted income funds</b>                        | 19   | <u>159,350</u>          | <u>205,999</u>          |
| <b>Total funds</b>                                      |      | <u><u>8,418,224</u></u> | <u><u>8,529,006</u></u> |

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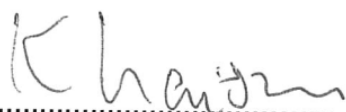
**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 07226557**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

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The financial statements on pages 32 to 68 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....  
**K Haisman**

Chair of Trustees

Date: 20 December 2023

The notes on pages 36 to 68 form part of these financial statements.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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|                                                         | <b>Note</b> | <b>2023</b><br><b>£</b> | <b>2022</b><br><b>£</b> |
|---------------------------------------------------------|-------------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>             |             |                         |                         |
| Net cash (used in)/provided by operating activities     | 21          | <b>(35,762)</b>         | 5,621                   |
| <b>Cash flows from investing activities</b>             | 23          | <b>4,261</b>            | 33,261                  |
| <b>Cash flows from financing activities</b>             | 22          | <b>(2,556)</b>          | 19,171                  |
| <b>Change in cash and cash equivalents in the year</b>  |             | <b>(34,057)</b>         | 58,053                  |
| Cash and cash equivalents at the beginning of the year  |             | <b>693,568</b>          | 635,515                 |
| <b>Cash and cash equivalents at the end of the year</b> | 24, 25      | <b>659,511</b>          | 693,568                 |

The notes on pages 36 to 68 form part of these financial statements

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies**

Stour Valley Educational Trust Limited is a company limited by guarantee incorporated in England, registration number 07226557. The registered office is Cavendish Road, Clare, Sudbury, Suffolk, CO10 8PJ.

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Stour Valley Educational Trust Limited meets the definition of a public benefit entity under FRS 102.

The financial statements are presented in Sterling (£) and rounded to the nearest £.

**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.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

**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.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

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

**1.7 Intangible assets**

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

|                   |           |
|-------------------|-----------|
| Computer software | - 3 years |
|-------------------|-----------|



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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.8 Tangible fixed assets**

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

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

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

Depreciation is provided on the following bases:

|                                 |                            |
|---------------------------------|----------------------------|
| Leasehold land                  | - 125 years straight line  |
| Leasehold buildings             | - 50 years straight line   |
| Furniture, fixtures & equipment | - 3-10 years straight line |
| Computer equipment              | - 3 years straight line    |
| Leasehold improvements          | - 25 years straight line   |

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities**

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

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.12 Provisions**

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

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

**1.13 Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

**1.14 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**1. Accounting policies (continued)**

**1.15 Pensions**

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

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

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

If the present value of the LGPS defined benefit obligation at the reporting date is less than the fair value of plan assets, the plan has a surplus. A defined benefit plan surplus is recognised as an asset to the extent that the Academy Trust is able to recover the surplus either through reduced future contributions or through refunds from the plan.

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

**1.16 Fund accounting**

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

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

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

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

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit asset/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 26, will impact the carrying amount of the pension asset/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 asset/liability at 31 August 2023. 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 asset/liability.

An impairment review was conducted on the carrying value of buildings identified as at Stour Valley Community School as containing RAAC (Reinforced Autoclaved Aerated Concrete), concluding that any impairment charge would be immaterial to tangible fixed assets, fixed asset funds and the accounts as a whole. Given uncertainty over the precise estimate, no charge has been posted in the accounts. The assessment included comparison of figures in the fixed asset register with a DfE desktop valuation of the school premises carried out as at April 2023.

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**FOR THE YEAR ENDED 31 AUGUST 2023**

**3. Income from donations and capital grants**

|                             | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>fixed asset<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|-----------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------------------------|---------------------------------------|
| Proceeds from land disposal | -                                            | -                                          | 21,324                                                     | <b>21,324</b>                         |
| Donations                   | 1,491                                        | 999                                        | 3,665                                                      | <b>6,155</b>                          |
| Capital grants              | -                                            | -                                          | 64,426                                                     | <b>64,426</b>                         |
| <b>Subtotal</b>             | <u>1,491</u>                                 | <u>999</u>                                 | <u>68,091</u>                                              | <u><b>70,581</b></u>                  |
|                             | <i>Unrestricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>fixed asset<br/>funds<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
| <b>Donations</b>            |                                              |                                            |                                                            |                                       |
| Proceeds from land disposal | -                                            | -                                          | 54,780                                                     | 54,780                                |
| Donations                   | 3,404                                        | 5,098                                      | -                                                          | 8,502                                 |
| Capital grants              | -                                            | -                                          | 22,599                                                     | 22,599                                |
| <b>Subtotal</b>             | <u>3,404</u>                                 | <u>5,098</u>                               | <u>22,599</u>                                              | <u>31,101</u>                         |

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**FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Funding for the academy's educational operations**

|                                                                     | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|---------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|
| <b>DfE/ESFA grants</b>                                              |                                              |                                            |                                       |
| General Annual Grant (GAG)                                          | -                                            | 4,040,427                                  | <b>4,040,427</b>                      |
| Other DfE/ESFA grants                                               |                                              |                                            |                                       |
| UIFSM                                                               | -                                            | 25,643                                     | <b>25,643</b>                         |
| Pupil Premium                                                       | -                                            | 171,407                                    | <b>171,407</b>                        |
| Other DfE/ESFA grants                                               | -                                            | 210,085                                    | <b>210,085</b>                        |
|                                                                     | -                                            | 4,447,562                                  | <b>4,447,562</b>                      |
| <b>Other Government grants</b>                                      |                                              |                                            |                                       |
| Local authority grants                                              | -                                            | 136,714                                    | <b>136,714</b>                        |
|                                                                     | -                                            | 136,714                                    | <b>136,714</b>                        |
| <b>Other income from the Academy Trust's educational operations</b> | 85,549                                       | 16,010                                     | <b>101,559</b>                        |
| <b>COVID-19 additional funding (DfE/ESFA)</b>                       |                                              |                                            |                                       |
| Catch-up Premium                                                    | -                                            | 56,866                                     | <b>56,866</b>                         |
|                                                                     | -                                            | 56,866                                     | <b>56,866</b>                         |
|                                                                     | 85,549                                       | 4,657,152                                  | <b>4,742,701</b>                      |

The Trust received £56,866 of funding for Covid-19 catch up premium and costs incurred totalled £57,324 (2022 - £18,561) with the remaining £NIL to be spent in 2023/24.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Funding for the academy's educational operations (continued)**

|                                                                                     | <i>Unrestricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>funds<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|-------------------------------------------------------------------------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|
| <b>DfE/ESFA grants</b>                                                              |                                              |                                            |                                       |
| General Annual Grant (GAG)                                                          | -                                            | 4,091,046                                  | 4,091,046                             |
| Other DfE/ESFA grants                                                               |                                              |                                            |                                       |
| UIFSM                                                                               | -                                            | 22,283                                     | 22,283                                |
| Pupil Premium                                                                       | -                                            | 185,341                                    | 185,341                               |
| Other DfE/ESFA grants                                                               | -                                            | 25,881                                     | 25,881                                |
|                                                                                     | <hr/>                                        | <hr/>                                      | <hr/>                                 |
|                                                                                     | -                                            | 4,324,551                                  | 4,324,551                             |
| <b>Other Government grants</b>                                                      |                                              |                                            |                                       |
| Local authority grants                                                              | -                                            | 85,726                                     | 85,726                                |
|                                                                                     | <hr/>                                        | <hr/>                                      | <hr/>                                 |
|                                                                                     | -                                            | 85,726                                     | 85,726                                |
| <b>Other income from the Academy Trust's direct costs - activities (activity 1)</b> | 28,619                                       | 14,673                                     | 43,292                                |
| <b>COVID-19 additional funding (DfE/ESFA)</b>                                       |                                              |                                            |                                       |
| Catch-up Premium                                                                    | -                                            | 18,561                                     | 18,561                                |
| Other DfE/ESFA Covid-19 funding                                                     | -                                            | 5,457                                      | 5,457                                 |
|                                                                                     | <hr/>                                        | <hr/>                                      | <hr/>                                 |
|                                                                                     | -                                            | 24,018                                     | 24,018                                |
|                                                                                     | <hr/>                                        | <hr/>                                      | <hr/>                                 |
|                                                                                     | 28,619                                       | 4,448,968                                  | 4,477,587                             |
|                                                                                     | <hr/> <hr/>                                  | <hr/> <hr/>                                | <hr/> <hr/>                           |

**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**5. Income from other trading activities**

|                    | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|--------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|
| Hire of facilities | 6,763                                        | 5,241                                      | <b>12,004</b>                         |
| Department income  | -                                            | 14,052                                     | <b>14,052</b>                         |
| Solar PV income    | 4,681                                        | -                                          | <b>4,681</b>                          |
| Production income  | -                                            | 5,207                                      | <b>5,207</b>                          |
| Insurance income   | -                                            | -                                          | -                                     |
| Other income       | 9,528                                        | 43,233                                     | <b>52,761</b>                         |
| General income     | -                                            | 5,909                                      | <b>5,909</b>                          |
|                    | <u>20,972</u>                                | <u>73,642</u>                              | <u><b>94,614</b></u>                  |

|                    | <i>Unrestricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>funds<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|--------------------|----------------------------------------------|--------------------------------------------|---------------------------------------|
| Hire of facilities | 6,762                                        | 7,360                                      | 14,122                                |
| Department income  | -                                            | 20,883                                     | 20,883                                |
| Solar PV income    | 4,017                                        | -                                          | 4,017                                 |
| Production income  | -                                            | 3,148                                      | 3,148                                 |
| Other income       | 3,890                                        | 34,171                                     | 38,061                                |
| Insurance income   | -                                            | 1,749                                      | 1,749                                 |
| General income     | -                                            | 8,415                                      | 8,415                                 |
|                    | <u>14,669</u>                                | <u>75,726</u>                              | <u>90,395</u>                         |

**6. Investment income**

|                | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|----------------|--------------------------------------------|---------------------------------------|
| Pension income | 9,000                                      | <b>9,000</b>                          |
|                | <u>9,000</u>                               | <u><b>9,000</b></u>                   |



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**6. Investment income (continued)**

|                     | <i>Unrestricted<br/>funds<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|---------------------|----------------------------------------------|---------------------------------------|
| Short term deposits | 77                                           | 77                                    |

**7. Expenditure**

|                                        | <b>Staff Costs<br/>2023<br/>£</b> | <b>Premises<br/>2023<br/>£</b> | <b>Other<br/>2023<br/>£</b> | <b>Total<br/>2023<br/>£</b> |
|----------------------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|
| Academy Trust's educational operations |                                   |                                |                             |                             |
| Direct costs                           | 3,208,702                         | -                              | 553,472                     | <b>3,762,174</b>            |
| Allocated support costs                | 411,083                           | 19,080                         | 891,665                     | <b>1,321,828</b>            |
|                                        | <u>3,619,785</u>                  | <u>19,080</u>                  | <u>1,445,137</u>            | <u><b>5,084,002</b></u>     |

|                                        | <i>Staff Costs<br/>2022<br/>£</i> | <i>Premises<br/>2022<br/>£</i> | <i>Other<br/>2022<br/>£</i> | <i>Total<br/>2022<br/>£</i> |
|----------------------------------------|-----------------------------------|--------------------------------|-----------------------------|-----------------------------|
| Academy Trust's educational operations |                                   |                                |                             |                             |
| Direct costs                           | 3,274,299                         | -                              | 390,927                     | 3,665,226                   |
| Allocated support costs                | 351,160                           | 212,439                        | 882,456                     | 1,446,055                   |
|                                        | <u>3,625,459</u>                  | <u>212,439</u>                 | <u>1,273,383</u>            | <u>5,111,281</u>            |

**8. Analysis of expenditure by activities**

|                        | <b>Activities<br/>undertaken<br/>directly<br/>2023<br/>£</b> | <b>Support<br/>costs<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|------------------------|--------------------------------------------------------------|-----------------------------------------|---------------------------------------|
| Educational operations | 3,762,174                                                    | 1,321,828                               | <b>5,084,002</b>                      |

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Analysis of expenditure by activities (continued)**

|                        | <i>Activities<br/>undertaken<br/>directly<br/>2022<br/>£</i> | <i>Support<br/>costs<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|------------------------|--------------------------------------------------------------|-----------------------------------------|---------------------------------------|
| Educational operations | 3,665,226                                                    | 1,446,055                               | 5,111,281                             |

**Analysis of support costs**

|                               | <b>Activities<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|-------------------------------|----------------------------------|---------------------------------------|
| Staff costs                   | 411,083                          | <b>411,083</b>                        |
| Depreciation and amortisation | 210,268                          | <b>210,268</b>                        |
| Premises costs                | 191,172                          | <b>191,172</b>                        |
| Other support costs           | 494,901                          | <b>494,901</b>                        |
| Governance costs              | 14,404                           | <b>14,404</b>                         |
|                               | <u>1,321,828</u>                 | <u><b>1,321,828</b></u>               |

Governance costs comprise audit and accountancy fees incurred in the year.

|                               | <i>Activities<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|-------------------------------|----------------------------------|---------------------------------------|
| Staff costs                   | 351,160                          | 351,160                               |
| Depreciation and amortisation | 182,930                          | 182,930                               |
| Premises costs                | 472,531                          | 472,531                               |
| Other support costs           | 422,663                          | 422,663                               |
| Governance costs              | 16,771                           | 16,771                                |
|                               | <u>1,446,055</u>                 | <u>1,446,055</u>                      |

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**9. Net (expenditure)/income**

Net (expenditure)/income for the year includes:

|                                       | <b>2023</b>    | <i>2022</i>    |
|---------------------------------------|----------------|----------------|
|                                       | <b>£</b>       | <b>£</b>       |
| Operating lease rentals               | <b>27,112</b>  | <i>26,775</i>  |
| Depreciation of tangible fixed assets | <b>209,368</b> | <i>245,554</i> |
| Amortisation of intangible assets     | <b>900</b>     | <i>900</i>     |
| Fees paid to auditors for:            |                |                |
| - audit                               | <b>14,415</b>  | <i>9,750</i>   |
| - other services                      | <b>8,090</b>   | <i>5,680</i>   |
|                                       | <b>=====</b>   | <b>=====</b>   |

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FOR THE YEAR ENDED 31 AUGUST 2023**

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

|                       | <b>2023</b>             | <i>2022</i>             |
|-----------------------|-------------------------|-------------------------|
|                       | <b>£</b>                | <i>£</i>                |
| Wages and salaries    | <b>2,690,919</b>        | <i>2,527,677</i>        |
| Social security costs | <b>285,453</b>          | <i>272,103</i>          |
| Pension costs         | <b>687,413</b>          | <i>825,679</i>          |
|                       | <b><u>3,663,785</u></b> | <i><u>3,625,459</u></i> |

**b. Staff numbers**

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

|                            | <b>2023</b>       | <i>2022</i>       |
|----------------------------|-------------------|-------------------|
|                            | <b>No.</b>        | <i>No.</i>        |
| Teachers                   | <b>44</b>         | <i>50</i>         |
| Administration and support | <b>51</b>         | <i>47</i>         |
| Management                 | <b>8</b>          | <i>8</i>          |
|                            | <b><u>103</u></b> | <i><u>105</u></i> |

The average headcount expressed as full-time equivalents was:

|                            | <b>2023</b>      | <i>2022</i>      |
|----------------------------|------------------|------------------|
|                            | <b>No.</b>       | <i>No.</i>       |
| Teachers                   | <b>39</b>        | <i>42</i>        |
| Administration and support | <b>31</b>        | <i>36</i>        |
| Management                 | <b>8</b>         | <i>8</i>         |
|                            | <b><u>78</u></b> | <i><u>86</u></i> |

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**10. Staff (continued)**

**c. Higher paid staff**

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

|                               | <b>2023</b>     | 2022     |
|-------------------------------|-----------------|----------|
|                               | <b>No.</b>      | No.      |
| In the band £60,001 - £70,000 | <b>1</b>        | 1        |
| In the band £70,001 - £80,000 | <b>1</b>        | -        |
| In the band £80,001 - £90,000 | <b>1</b>        | 1        |
|                               | <u><b>1</b></u> | <u>1</u> |

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 2. 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 £620,599 (2022: £604,615).

**11. Central services**

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

- Executive leadership
- Financial administration services (Hub finance support, outsourced payroll service)
- HR services (employee contract administration, wellbeing and employee relations including legal and professional services)
- Centralised ICT support
- Centralised GDPR support
- Centralised Site Management and Caretaking

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

The proportion of time spent at each school has been calculated and staffing costs, including all on-costs, have been charged accordingly.

The actual amounts charged during the year were as follows:

|                                | <b>2023</b>           | 2022           |
|--------------------------------|-----------------------|----------------|
|                                | <b>£</b>              | £              |
| Stour Valley Community School  | <b>225,305</b>        | 205,842        |
| Clare Community Primary School | <b>56,379</b>         | 50,135         |
| <b>Total</b>                   | <u><b>281,684</b></u> | <u>255,977</u> |

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**12. 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:

|           |                            | 2023               | 2022               |
|-----------|----------------------------|--------------------|--------------------|
|           |                            | £                  | £                  |
| R A Kelly | Remuneration               | 85,000 -<br>90,000 | 80,000 -<br>85,000 |
|           | Pension contributions paid | 20,000 -<br>25,000 | 15,000 -<br>20,000 |

During the year ended 31 August 2023, expenses totalling £NIL were reimbursed or paid directly to any Trustee (2022 - £NIL to Trustee).

**13. Trustees' and Officers' insurance**

The Academy Trust has opted into the Department of 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.

**14. Intangible assets**

|                       | Computer software<br>£ |
|-----------------------|------------------------|
| <b>Cost</b>           |                        |
| At 1 September 2022   | 4,900                  |
| At 31 August 2023     | 4,900                  |
| <b>Amortisation</b>   |                        |
| At 1 September 2022   | 3,550                  |
| Charge for the year   | 900                    |
| At 31 August 2023     | 4,450                  |
| <b>Net book value</b> |                        |
| At 31 August 2023     | 450                    |
| At 31 August 2022     | 1,350                  |

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**15. Tangible fixed assets**

|                          | Leasehold<br>land and<br>buildings<br>£ | Furniture,<br>fixtures &<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£        |
|--------------------------|-----------------------------------------|--------------------------------------------|----------------------------|-------------------|
| <b>Cost or valuation</b> |                                         |                                            |                            |                   |
| At 1 September 2022      | 9,241,844                               | 291,413                                    | 597,621                    | 10,130,878        |
| Additions                | -                                       | 29,442                                     | 73,371                     | 102,813           |
| At 31 August 2023        | <u>9,241,844</u>                        | <u>320,855</u>                             | <u>670,992</u>             | <u>10,233,691</u> |
| <b>Depreciation</b>      |                                         |                                            |                            |                   |
| At 1 September 2022      | 1,318,320                               | 217,871                                    | 523,924                    | 2,060,115         |
| Charge for the year      | 132,430                                 | 33,849                                     | 43,089                     | 209,368           |
| At 31 August 2023        | <u>1,450,750</u>                        | <u>251,720</u>                             | <u>567,013</u>             | <u>2,269,483</u>  |
| <b>Net book value</b>    |                                         |                                            |                            |                   |
| At 31 August 2023        | <u>7,791,094</u>                        | <u>69,135</u>                              | <u>103,979</u>             | <u>7,964,208</u>  |
| At 31 August 2022        | <u>7,923,524</u>                        | <u>73,542</u>                              | <u>73,697</u>              | <u>8,070,763</u>  |

**16. Debtors**

|                                | 2023<br>£     | 2022<br>£     |
|--------------------------------|---------------|---------------|
| <b>Due within one year</b>     |               |               |
| Trade debtors                  | -             | 114           |
| Other debtors                  | 24,224        | 14,107        |
| Prepayments and accrued income | 59,743        | 84,391        |
|                                | <u>83,967</u> | <u>98,612</u> |

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FOR THE YEAR ENDED 31 AUGUST 2023**

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

|                                        | 2023<br>£      | 2022<br>£      |
|----------------------------------------|----------------|----------------|
| Other loans                            | 2,556          | 2,556          |
| Trade creditors                        | 45,603         | 72,643         |
| Other taxation and social security     | 142,534        | 136,801        |
| Accruals and deferred income           | 85,160         | 106,672        |
|                                        | <b>275,853</b> | <b>318,672</b> |
|                                        | <b>275,853</b> | <b>318,672</b> |
|                                        | 2023<br>£      | 2022<br>£      |
| Deferred income at 1 September 2022    | 52,280         | 37,749         |
| Resources deferred during the year     | (52,280)       | (37,749)       |
| Amounts released from previous periods | 32,970         | 52,280         |
|                                        | <b>32,970</b>  | <b>52,280</b>  |
|                                        | <b>32,970</b>  | <b>52,280</b>  |

At the balance sheet date the academy trust was holding funds received in advance in regard to the Universal Infant Free School Meals funding which was paid during the financial year, but related to grant allocations for the 2023/24 financial year. Deferred income also includes trip income and MSAG 2023-24 tranche 1 funding which was received in advance of the 2023/24 year to which it relates.

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

|             | 2023<br>£     | 2022<br>£     |
|-------------|---------------|---------------|
| Other loans | 14,059        | 16,615        |
|             | <b>14,059</b> | <b>16,615</b> |

A Salix loan of £20,448 is being repaid in equal installments over eight years and will be fully repaid in the year to 31 August 2030. The year end balance was £16,615.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**19. Statement of funds**

|                                          | Balance at 1<br>September<br>2022<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2023<br>£ |
|------------------------------------------|----------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>                |                                        |                  |                    |                          |                         |                                      |
| General Funds                            | 205,999                                | 108,012          | (154,661)          | -                        | -                       | 159,350                              |
| <b>Restricted general funds</b>          |                                        |                  |                    |                          |                         |                                      |
| General Annual Grant (GAG)               | 226,534                                | 4,040,426        | (3,978,976)        | (85,592)                 | -                       | 202,392                              |
| Other DfE/ESFA Grants                    | 4,007                                  | 407,135          | (394,169)          | -                        | -                       | 16,973                               |
| Other grants                             | 7,719                                  | 136,714          | (133,722)          | -                        | -                       | 10,711                               |
| Covid-19 support                         | -                                      | 56,866           | (41,661)           | -                        | -                       | 15,205                               |
| Other amounts                            | 10,945                                 | 99,652           | (68,144)           | -                        | -                       | 42,453                               |
| Pension reserve                          | -                                      | -                | (35,000)           | -                        | 35,000                  | -                                    |
|                                          | <b>249,205</b>                         | <b>4,740,793</b> | <b>(4,651,672)</b> | <b>(85,592)</b>          | <b>35,000</b>           | <b>287,734</b>                       |
| <b>Restricted fixed asset funds</b>      |                                        |                  |                    |                          |                         |                                      |
| Donations                                | 8,434                                  | 24,989           | (4,368)            | (21,324)                 | -                       | 7,731                                |
| Dfe/ESFA Capital Grants                  | 13,511                                 | -                | (6,998)            | -                        | -                       | 6,513                                |
| GAG funded assets                        | 21,824                                 | -                | (11,304)           | -                        | -                       | 10,520                               |
| Assets purchased from grants             | 85,807                                 | -                | (44,859)           | 102,811                  | -                       | 143,759                              |
| Gifted assets on conversion              | 7,923,525                              | -                | (132,431)          | -                        | -                       | 7,791,094                            |
| Assets purchased from unrestricted funds | 20,701                                 | -                | (10,722)           | -                        | -                       | 9,979                                |
| DFC capital grants                       | -                                      | 64,426           | (66,987)           | 4,105                    | -                       | 1,544                                |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

|                               | Balance at 1<br>September<br>2022<br>£ | Income<br>£      | Expenditure<br>£   | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2023<br>£ |
|-------------------------------|----------------------------------------|------------------|--------------------|--------------------------|-------------------------|--------------------------------------|
|                               | 8,073,802                              | 89,415           | (277,669)          | 85,592                   | -                       | 7,971,140                            |
| <b>Total Restricted funds</b> | <b>8,323,007</b>                       | <b>4,830,208</b> | <b>(4,929,341)</b> | <b>-</b>                 | <b>35,000</b>           | <b>8,258,874</b>                     |
| <b>Total funds</b>            | <b>8,529,006</b>                       | <b>4,938,220</b> | <b>(5,084,002)</b> | <b>-</b>                 | <b>35,000</b>           | <b>8,418,224</b>                     |

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

The General Annual Grant (GAG) is used for the normal running costs of the Academy Trust.

Other ESFA grants are various specific grants provided to the Academy Trust from the ESFA.

Other restricted grants includes SEN funding.

Covid-19 Support grants are for Covid-19 Catch-up premiums.

A transfer of £85,592 (2022: £67,676) was made from GAG (2022: GAG) to restricted fixed asset funds in respect of assets purchased.

The pension reserve total gains of £35k include derecognition of £319k surplus as there is no indication that it be recovered in the future.

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 2023.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

|                                          | <i>Balance at<br/>1 September<br/>2021<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>in/out<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31 August<br/>2022<br/>£</i> |
|------------------------------------------|--------------------------------------------------|---------------------|--------------------------|-----------------------------------|----------------------------------|------------------------------------------------|
| <b>Unrestricted funds</b>                |                                                  |                     |                          |                                   |                                  |                                                |
| General Funds                            | 202,518                                          | 46,769              | (43,288)                 | -                                 | -                                | 205,999                                        |
| <b>Restricted general funds</b>          |                                                  |                     |                          |                                   |                                  |                                                |
| General Annual Grant (GAG)               | 90,048                                           | 4,091,046           | (3,886,884)              | (67,676)                          | -                                | 226,534                                        |
| Other DfE/ESFA Grants                    | 3,993                                            | 233,505             | (233,491)                | -                                 | -                                | 4,007                                          |
| Other grants                             | 18,969                                           | 181,223             | (181,528)                | -                                 | -                                | 18,664                                         |
| Covid-19 support                         | 10,581                                           | 24,018              | (34,599)                 | -                                 | -                                | -                                              |
| Pension reserve                          | (1,238,000)                                      | -                   | (243,000)                | -                                 | 1,481,000                        | -                                              |
|                                          | <u>(1,114,409)</u>                               | <u>4,529,792</u>    | <u>(4,579,502)</u>       | <u>(67,676)</u>                   | <u>1,481,000</u>                 | <u>249,205</u>                                 |
| <b>Restricted fixed asset funds</b>      |                                                  |                     |                          |                                   |                                  |                                                |
| Donations                                | 2,681                                            | 54,781              | (1,028)                  | (48,000)                          | -                                | 8,434                                          |
| Dfe/ESFA Capital Grants                  | 27,033                                           | 22,598              | (22,290)                 | (13,830)                          | -                                | 13,511                                         |
| GAG funded assets                        | 35,403                                           | -                   | (13,579)                 | -                                 | -                                | 21,824                                         |
| Assets purchased from grants             | 5,234                                            | -                   | (14,531)                 | 95,104                            | -                                | 85,807                                         |
| Gifted assets on conversion              | 8,055,955                                        | -                   | (132,430)                | -                                 | -                                | 7,923,525                                      |
| Assets purchased from unrestricted funds | 33,582                                           | -                   | (12,881)                 | -                                 | -                                | 20,701                                         |
| CIF Capital Grants                       | 257,350                                          | -                   | (291,752)                | 34,402                            | -                                | -                                              |

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

|                               | <i>Balance at<br/>1 September<br/>2021<br/>£</i> | <i>Income<br/>£</i> | <i>Expenditure<br/>£</i> | <i>Transfers<br/>in/out<br/>£</i> | <i>Gains/<br/>(Losses)<br/>£</i> | <i>Balance at<br/>31 August<br/>2022<br/>£</i> |
|-------------------------------|--------------------------------------------------|---------------------|--------------------------|-----------------------------------|----------------------------------|------------------------------------------------|
|                               | 8,417,238                                        | 77,379              | (488,491)                | 67,676                            | -                                | 8,073,802                                      |
| <b>Total Restricted funds</b> | 7,302,829                                        | 4,607,171           | (5,067,993)              | -                                 | 1,481,000                        | 8,323,007                                      |
| <b>Total funds</b>            | 7,505,347                                        | 4,653,940           | (5,111,281)              | -                                 | 1,481,000                        | 8,529,006                                      |

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

|                                                    | <b>2023<br/>£</b> | <b>2022<br/>£</b> |
|----------------------------------------------------|-------------------|-------------------|
| Stour Valley Community School                      | <b>323,844</b>    | 326,744           |
| Clare Community Primary School                     | <b>123,240</b>    | 128,460           |
| Total before fixed asset funds and pension reserve | <b>447,084</b>    | 455,204           |
| Restricted fixed asset fund                        | <b>7,971,140</b>  | 8,073,802         |
| <b>Total</b>                                       | <b>8,418,224</b>  | 8,529,006         |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

**Total cost analysis by academy**

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

|                                | <b>Teaching<br/>and<br/>educational<br/>support<br/>staff costs<br/>£</b> | <b>Other<br/>support<br/>staff costs<br/>£</b> | <b>Educational<br/>supplies<br/>£</b> | <b>Other costs<br/>excluding<br/>depreciation<br/>£</b> | <b>Total<br/>2023<br/>£</b> |
|--------------------------------|---------------------------------------------------------------------------|------------------------------------------------|---------------------------------------|---------------------------------------------------------|-----------------------------|
| Stour Valley Community School  | 2,684,336                                                                 | 228,037                                        | 396,734                               | 499,268                                                 | <b>3,808,375</b>            |
| Clare Community Primary School | 671,600                                                                   | 79,812                                         | 136,610                               | 177,337                                                 | <b>1,065,359</b>            |
| <b>Academy Trust</b>           | <b>3,355,936</b>                                                          | <b>307,849</b>                                 | <b>533,344</b>                        | <b>676,605</b>                                          | <b>4,873,734</b>            |

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

|                                | <i>Teaching<br/>and<br/>educational<br/>support staff<br/>costs<br/>£</i> | <i>Other<br/>support staff<br/>costs<br/>£</i> | <i>Educational<br/>supplies<br/>£</i> | <i>Other costs<br/>excluding<br/>depreciation<br/>£</i> | <i>Total<br/>2022<br/>£</i> |
|--------------------------------|---------------------------------------------------------------------------|------------------------------------------------|---------------------------------------|---------------------------------------------------------|-----------------------------|
| Stour Valley Community School  | 2,510,717                                                                 | 381,743                                        | 245,038                               | 787,887                                                 | 3,925,385                   |
| Clare Community Primary School | 612,757                                                                   | 130,878                                        | 93,918                                | 165,413                                                 | 1,002,966                   |
| <b>Academy Trust</b>           | <b>3,123,474</b>                                                          | <b>512,621</b>                                 | <b>338,956</b>                        | <b>953,300</b>                                          | <b>4,928,351</b>            |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|                                     | <b>Unrestricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>funds<br/>2023<br/>£</b> | <b>Restricted<br/>fixed asset<br/>funds<br/>2023<br/>£</b> | <b>Total<br/>funds<br/>2023<br/>£</b> |
|-------------------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------------------------|---------------------------------------|
| Tangible fixed assets               | -                                            | -                                          | 7,964,208                                                  | <b>7,964,208</b>                      |
| Intangible fixed assets             | -                                            | -                                          | 450                                                        | <b>450</b>                            |
| Current assets                      | 163,750                                      | 573,246                                    | 6,482                                                      | <b>743,478</b>                        |
| Creditors due within one year       | 9,659                                        | (285,512)                                  | -                                                          | <b>(275,853)</b>                      |
| Creditors due in more than one year | (14,059)                                     | -                                          | -                                                          | <b>(14,059)</b>                       |
| <b>Total</b>                        | <b>159,350</b>                               | <b>287,734</b>                             | <b>7,971,140</b>                                           | <b>8,418,224</b>                      |

**Analysis of net assets between funds - prior year**

|                                     | <i>Unrestricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>funds<br/>2022<br/>£</i> | <i>Restricted<br/>fixed asset<br/>funds<br/>2022<br/>£</i> | <i>Total<br/>funds<br/>2022<br/>£</i> |
|-------------------------------------|----------------------------------------------|--------------------------------------------|------------------------------------------------------------|---------------------------------------|
| Tangible fixed assets               | 4                                            | -                                          | 8,070,759                                                  | 8,070,763                             |
| Intangible fixed assets             | -                                            | -                                          | 1,350                                                      | 1,350                                 |
| Current assets                      | 235,715                                      | 554,772                                    | 1,693                                                      | 792,180                               |
| Creditors due within one year       | (29,720)                                     | (288,952)                                  | -                                                          | (318,672)                             |
| Creditors due in more than one year | -                                            | (16,615)                                   | -                                                          | (16,615)                              |
| <b>Total</b>                        | <b>205,999</b>                               | <b>249,205</b>                             | <b>8,073,802</b>                                           | <b>8,529,006</b>                      |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

|                                                                         | 2023<br>£        | 2022<br>£ |
|-------------------------------------------------------------------------|------------------|-----------|
| Net expenditure for the year (as per statement of financial activities) | <b>(145,782)</b> | (457,341) |
| <b>Adjustments for:</b>                                                 |                  |           |
| Amortisation                                                            | <b>900</b>       | 900       |
| Depreciation                                                            | <b>209,368</b>   | 181,952   |
| Capital grants from DfE and other capital income                        | <b>(85,750)</b>  | (77,379)  |
| Interest receivable                                                     | -                | (77)      |
| Defined benefit pension scheme cost less contributions payable          | <b>44,000</b>    | 220,000   |
| Defined benefit pension scheme finance cost                             | <b>(9,000)</b>   | 23,000    |
| Decrease in debtors                                                     | <b>14,645</b>    | 287,924   |
| Decrease in creditors                                                   | <b>(42,819)</b>  | (118,578) |
| Gain on disposal                                                        | <b>(21,324)</b>  | (54,780)  |
| <b>Net cash (used in)/provided by operating activities</b>              | <b>(35,762)</b>  | 5,621     |

**22. Cash flows from financing activities**

|                                                            | 2023<br>£      | 2022<br>£ |
|------------------------------------------------------------|----------------|-----------|
| Salix loan received                                        | -              | 20,449    |
| Repayments of loan                                         | <b>(2,556)</b> | (1,278)   |
| <b>Net cash (used in)/provided by financing activities</b> | <b>(2,556)</b> | 19,171    |

**23. Cash flows from investing activities**

|                                                  | 2023<br>£        | 2022<br>£ |
|--------------------------------------------------|------------------|-----------|
| Dividends, interest and rents from investments   | -                | 77        |
| Purchase of fixed assets                         | <b>(102,813)</b> | (98,975)  |
| Proceeds from the sale of tangible fixed assets  | <b>21,324</b>    | 54,780    |
| Capital grants from DfE Group                    | <b>85,750</b>    | 77,379    |
| <b>Net cash provided by investing activities</b> | <b>4,261</b>     | 33,261    |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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**24. Analysis of cash and cash equivalents**

|                                        | 2023<br>£      | 2022<br>£      |
|----------------------------------------|----------------|----------------|
| Cash in hand and at bank               | 659,511        | 693,568        |
| <b>Total cash and cash equivalents</b> | <b>659,511</b> | <b>693,568</b> |

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

|                          | At 1<br>September<br>2022<br>£ | Cash flows<br>£ | At 31<br>August 2023<br>£ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 693,568                        | (34,057)        | 659,511                   |
| Debt due within 1 year   | (2,556)                        | -               | (2,556)                   |
| Debt due after 1 year    | (16,615)                       | 2,556           | (14,059)                  |
|                          | <b>674,397</b>                 | <b>(31,501)</b> | <b>642,896</b>            |



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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**26. 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 Suffolk 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates currently set at 23.68% of pensionable pay (including a 0.08% administration levy) will increase by 5% from 1 April 2024
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £226,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £497,413 (2022 - £477,679).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website <https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result>.

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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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. 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 2023 was £190,000 (2022 - £164,000), of which employer's contributions totalled £146,000 (2022 - £128,000) and employees' contributions totalled £44,000 (2022 - £36,000). The agreed contribution rates for future years are 23 per cent for employers and variable per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

**Principal actuarial assumptions**

|                                                    | <b>2023</b> | 2022 |
|----------------------------------------------------|-------------|------|
|                                                    | %           | %    |
| Rate of increase in salaries                       | <b>3.95</b> | 3.8  |
| Rate of increase for pensions in payment/inflation | <b>2.95</b> | 3.1  |
| Discount rate for scheme liabilities               | <b>5.2</b>  | 4.3  |
| Inflation assumption (CPI)                         | <b>2.95</b> | 3.1  |

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

|                             | <b>2023</b> | 2022  |
|-----------------------------|-------------|-------|
|                             | Years       | Years |
| <i>Retiring today</i>       |             |       |
| Males                       | <b>20.1</b> | 21.9  |
| Females                     | <b>24.2</b> | 24.3  |
| <i>Retiring in 20 years</i> |             |       |
| Males                       | <b>21.7</b> | 22.9  |
| Females                     | <b>26.1</b> | 26.1  |

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**26. Pension commitments (continued)**

**Sensitivity analysis**

|                                        | <b>2023</b> | <i>2022</i> |
|----------------------------------------|-------------|-------------|
|                                        | <b>£000</b> | <i>£000</i> |
| Discount rate +0.1%                    | <b>(49)</b> | <i>(52)</i> |
| Discount rate -0.1%                    | <b>49</b>   | <i>52</i>   |
| Mortality assumption - 1 year increase | <b>78</b>   | <i>80</i>   |
| Mortality assumption - 1 year decrease | <b>(78)</b> | <i>(80)</i> |
| CPI rate +0.1%                         | <b>48</b>   | <i>50</i>   |
| CPI rate -0.1%                         | <b>(48)</b> | <i>(50)</i> |

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**NOTES TO THE FINANCIAL STATEMENTS  
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**26. Pension commitments (continued)**

**Share of scheme assets**

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

|                                     | <b>At 31<br/>August 2023</b> | <i>At 31 August<br/>2022</i> |
|-------------------------------------|------------------------------|------------------------------|
|                                     | £                            | £                            |
| Equities                            | 1,661,000                    | 1,533,000                    |
| Debt instruments                    | 630,000                      | 496,000                      |
| Property                            | 201,000                      | 225,000                      |
| Cash and other liquid assets        | 25,000                       | -                            |
| <b>Total market value of assets</b> | <b>2,517,000</b>             | <b>2,254,000</b>             |

The actual return on scheme assets was £9,000 (2022 - £Nil).

The amounts recognised in the Statement of financial activities are as follows:

|                                                                         | <b>2023</b>      | <i>2022</i>      |
|-------------------------------------------------------------------------|------------------|------------------|
|                                                                         | £                | £                |
| Current service cost                                                    | (190,000)        | (339,000)        |
| Interest income                                                         | 99,000           | 36,000           |
| Interest cost                                                           | (90,000)         | (59,000)         |
| <b>Total amount recognised in the Statement of financial activities</b> | <b>(181,000)</b> | <b>(362,000)</b> |

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

|                        | <b>2023</b>      | <i>2022</i>      |
|------------------------|------------------|------------------|
|                        | £                | £                |
| <b>At 1 September</b>  | <b>2,009,000</b> | <b>3,370,000</b> |
| Current service cost   | 190,000          | 339,000          |
| Interest cost          | 90,000           | 59,000           |
| Employee contributions | 44,000           | 35,000           |
| Actuarial gains        | (357,000)        | (1,781,000)      |
| Benefits paid          | (23,000)         | (13,000)         |
| <b>At 31 August</b>    | <b>1,953,000</b> | <b>2,009,000</b> |

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**26. Pension commitments (continued)**

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

|                          | 2023<br>£        | 2022<br>£ |
|--------------------------|------------------|-----------|
| <b>At 1 September</b>    | <b>2,254,000</b> | 2,132,000 |
| Interest income          | <b>99,000</b>    | 36,000    |
| Actuarial losses         | <b>(3,000)</b>   | (55,000)  |
| Employer contributions   | <b>146,000</b>   | 119,000   |
| Employee contributions   | <b>44,000</b>    | 35,000    |
| Benefits paid            | <b>(23,000)</b>  | (13,000)  |
| Asset ceiling adjustment | <b>(564,000)</b> | (245,000) |
| <b>At 31 August</b>      | <b>1,953,000</b> | 2,009,000 |

The actuarial valuation on the Plan for accounting purposes showed a net surplus of £564,000 as at 31 August 2023. FRS 102 allows a plan surplus to be recognised as a defined benefit plan asset only to the extent that an entity is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. The Trust notes advice from the Scheme Actuary that the prevailing view held by LGPS practitioners is that employers have no unconditional right to a refund in the LGPS and that a minimum funding requirement for future service exists in the LGPS. In line with calculations received from the Actuary of the the extent to which the surplus could be recovered through future contributions where there is a minimum funding requirement for future service, the Trust has concluded that none of the surplus can be be recognised as an asset.

**27. Operating lease commitments**

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

|                                              | 2023<br>£      | 2022<br>£ |
|----------------------------------------------|----------------|-----------|
| Not later than 1 year                        | <b>36,785</b>  | 27,112    |
| Later than 1 year and not later than 5 years | <b>99,415</b>  | 63,153    |
| Later than 5 years                           | <b>28,500</b>  | 42,751    |
|                                              | <b>164,700</b> | 133,016   |

**28. Property transaction**

SVET occupy the Stour Valley Community School site by virtue of a 125-year lease with Suffolk County Council on 1 July 2014. Following agreement from the Secretary of State in 2022, an Agreement to Surrender a strip of land across the site entrance has been signed between the Trust and SCC which is subject to certain planning conditions. Further receipts of £91,000 are expected by date of transfer.

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**STOUR VALLEY EDUCATIONAL TRUST LIMITED**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**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**

No related party transactions took place in the period of account, other than certain trustees' remuneration already described in note 12.

**31. Post balance sheet events**

Stour Valley Community School has been found to contain RAAC (Reinforced Autoclaved Aerated Concrete) in one building, which has been assessed to be unsafe to use. Costs have been incurred in relocation of students and emergency works to enable the use of the ground floor. Substantial further costs are anticipated in rectifying the affected area to bring it back into use. The Trust has received assurances from DfE that they will fund both the emergency mitigation work and the necessary refurbishment or rebuilding project to rectify RAAC affected buildings.