



**Co-operative
Education**
East

CO-OPERATIVE EDUCATION EAST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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CO-OPERATIVE EDUCATION EAST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Clarke Willis MBE Julie Fletcher Jennifer Gill Ceri Owen (appointed 24 March 2021)
Trustees	Julie Fletcher, Chair Paul Bunn, Accounting Officer Nick O'Dell David Clover Kathryn Dunning
Company registered number	10365323
Company name	Co-operative Education East
Principal and registered office	Bunwell Primary School The Old Turn Pike Bunwell Norfolk NR16 1SN
Chief Executive Officer	Paul Bunn
Senior Leadership Team	Paul Bunn, Chief Executive Officer Simon Gray, Chief Finance Officer Emily Husbands, Headteacher at Bunwell Primary School Matthew Gamble, Headteacher at Banham Primary School Lisa Heath, Headteacher at Thompson Primary School Natasha Clarke, Trust Deputy Headteacher
Independent auditors	MA Partners Audit LLP Chartered Accountants 7 The Close Norwich Norfolk NR1 4DJ
Bankers	Lloyds Bank Plc 16 Gentleman's Walk Norwich NR2 1LZ

CO-OPERATIVE EDUCATION EAST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates three primary schools for pupils aged 3 to 11 serving the South Norfolk villages of Banham, Bunwell and Thompson. It has a pupil capacity of 315 and had a roll of 279 in the school census in January 2021. There were no schools joining the Trust during the academic year.

Structure, governance and management

a. Constitution

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

The charitable company's memorandum and articles of association are the primary governing document of the Trust.

The Trustees of Co-operative Education East are also the Directors of the charitable company for the purpose of company law.

Each school operates as a trading arm of the company and are known as Banham Primary School, Bunwell Primary School and Thompson Primary School.

Details of the Trustees who served during the year are included in the reference and administrative details on page 1.

The principal objects of the Trust are to advance for the public benefit education in the United Kingdom. In particular, but without prejudice to the generality of foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad curriculum with a strong emphasis on a values led education.

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

The Trust has opted in to the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, error or omissions occurring whilst on Trust business, and provides cover up to £10,000,000.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co opted under the terms of the memorandum and articles of association. In accordance with the Academy Trust Handbook, the Trust has appointed a Professional Clerk to assist with the oversight of governance and recruitment moving forward.

e. Policies adopted for the induction and training of Trustees

All Trustees and local governors complete a skills matrix annually which is reviewed by the CEO and Chair.

Any gaps form the basis of future recruitment.

Every Trustee and Local Governor undergoes annual safeguarding training delivered by an experienced DSL. In addition, new and current Trustees undertake regular continuing professional development tailored to their role and responsibilities.

The training and induction provided for new Trustees will depend on their existing experience and will include accompanied visits with the CEO to some of the Trust schools to view strengths and potential risks at first hand and meet senior leaders and business leaders across the Trust.

Additionally, Trustees are introduced to policies, procedures, minutes, accounts, budgets, plans and other documents as applicable that they will need to undertake their role as Trustees. As there is expected to be only one or two new Trustees a year, induction will be carried out informally, supplemented by resources and courses provided by external agencies such as the NGA and the Key. The induction will be tailored specifically to the individual.

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

Structure, governance and management (continued)

f. Organisational structure

The Trust follows the governance and executive structures outlined by the Department for Education. Our Members appoint Trustees who are accountable for every aspect of the Trust, including the performance management of the CEO.

The Trust's Scheme of Delegation sets out the governance arrangements. The Trust operates a three tier governance model: The Members provide overview of the co-operative values and ethos of the Trust primarily at the AGM (Tier 1); The Trustees retain oversight and responsibility for the strategy, direction and performance of the schools within the Trust (Tier 2) meeting bimonthly and analysing high level data, reports and minutes; but wherever possible, governance responsibilities are delegated down to the individual school's own Local Governing Body (Tier 3), which meets at least once per term. Whilst schools have responsibility for their own budgets and expenditure within agreed limits, oversight, scrutiny and control of financial matters is performed by the Finance and Audit committee, which is a sub-committee of the Board of Trustees.

Trustees also delegate the executive function to the CEO and Trust Senior Leadership Team ("SLT") who are responsible for the day to day running of the schools.

The SLT is responsible for overall spending, scrutinised by the Chief Finance Officer and overseen by the Trustees.

In accordance with the Academy Handbook, the Trust recognises a knowledgeable governance professional (or company secretary) is an essential part of its tool kit. Therefore, the Trust has appointed a Professional Clerk, recognising that they:-

- Ensure the Board works in compliance with the appropriate legal and regulatory framework, and understands the potential consequences of non-compliance
- Provide independent advice on procedural matters relating to operation of the Board
- Provide administrative and organisational support

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

Our Trust Scheme of Delegation indicates that pay, conditions and contractual terms for the CEO are the responsibility of Chair of Trustees.

Performance management and pay and conditions for the Headteachers in the Trust are the responsibility of the CEO. This responsibility no longer rests with Local Governing Bodies as in the past to ensure greater rigour and consistency and ensure all elements of pay and performance management are dealt with by a common format across the Trust. This method of working also assists ongoing planning for sustainable leadership and ensures equality across the Trust.

h. Related parties and other connected charities and organisations

The Trust is part of the wider Co-operative movement and is a member of CSNET. CSNET has been commissioned to provide services and support for the co-operative network. CSNET is a not-for-profit organisation, whose purpose is to strengthen the identity, voice and capacity of the Co-operative Schools movement, through work with trusts, schools, and in classrooms.

In addition to this our schools also continue to work within their local clusters (as allocated by the Local Authority prior to conversion). Details of related party transactions that arose in the period are included in note 26.

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

Structure, governance and management (continued)

i. Trade union facility time

Each school contributes to the combined Trade Union Facility arrangement via the Local Authority.

Objectives and activities

a. Objects and aims

The Trust's Objects are set out in paragraph 4 of its Articles of Association. In summary the Trust's objects are specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom in particular but without prejudice to the generality of the forgoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

For the Trust to fully realise its aims, we recognise the role that the family, the immediate community and other schools and agencies have to play in the development of the children and we actively encourage their participation in the education of the children in our care. The Trust also uses the internationally recognised Co-operative Values and Principles as a principle factor.

The aims of the Trust are:

- to stimulate intellectual growth by encouraging enquiry and a love of learning;
- to teach children how to communicate effectively and to provide challenges and opportunities for each child's social, intellectual, emotional and physical development;
- to provide equal opportunity for each pupil to achieve their true potential;
- to provide for pupils a sensitive and stable community in which to work so every child can have the confidence to develop both as an individual and as a responsible member of society;
- to provide a secure and ordered environment in which pupils will be encouraged to respect themselves, others and the environment; and
- to prepare them to cope with the demands and rapidly changing circumstances of our modern world.

This can be summarised succinctly by the Trust-wide vision which all schools have adopted, which is to CARE. That is to ensure our children are:

- **CONFIDENT**
- **ABLE TO MEET FUTURE CHALLENGES**
- **RESPONSIBLE MEMBERS OF THE COMMUNITY**
- **EFFECTIVE LEARNERS**

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Small rural village primary schools pose their own unique challenges: with a PAN of 15 per year, classes are split; budgets are limited; and, staffing bodies are small. However, we are proud to represent this group and be a voice for small schools so that we can meet the Trust's objective - to provide a first-class education to primary school children, in line with our Co-operative values, so that they can all achieve their full potential.

To meet our CARE vision we aim to stimulate the following attitudes in the children through a wide range of activities and experiences:

- a desire to learn and to take an active part in their own personal development;
- a 'can do' attitude towards all aspects of school life;
- an ability to express themselves creatively and use creative thought in solving problems;
- a desire to do their best for themselves and for others;
- positive behaviour, both in and out of school; and
- self-respect and respect for others, their beliefs, values and property.

We aim to provide an environment which supports pupils in realising these aims by:

- ensuring that the needs of pupils are met through quality professional planning and teaching;
- ensuring that all pupils have equal regard and access to the whole curriculum;
- providing a broad, balanced and relevant curriculum within the framework of the National Curriculum and school policies;
- meeting, with sensitivity, the pastoral needs of pupils; and
- providing security for all pupils through positive, fair and consistent discipline.

School improvement priorities vary across the Trust focusing on the individual needs of each school to maximise the education of the children.

Activities

Despite the Global pandemic, the Trust has achieved a number of activities during the academic year 2020/21, including some of the following highlights: -

- Successful change of class structure at Banham Primary School, bringing parity across the Trust so there are 3 EYFS classes and all of KS1 are now taught together;
- The Trust signed up to be early adopters of the new EYFS framework;
- Successfully planned and rolled out IT upgrade across the Trust, which is now fully signed up to using Google for Education across the Trust;
- Governance structure has been revised and remodelled;
- During lockdown 2:
 - o Staff embraced Google Classroom and Class Dojo - substantially increasing the number of live interactive lessons;
 - o All schools met the expanded definition of key worker and vulnerable children - one school had almost 50% of the children in school during lockdown 2;
- A key priority from the schools SDIP has been met. The Trust priority was to implement the statutory changes with the SRE curriculum. By using Jigsaw, the PHSE Association and RSE the schools now meet the new statutory requirements;
- In depth maintenance and building surveys completed and significant building works carried out in Summer 2021 across the Trust.

The Trust's activities cover a broad curriculum range. Beyond the curriculum, extracurricular clubs operate in each school and inter school activities are a regular feature alongside other members of the local cluster. School visits and experiences are also regularly available for all pupils with the aim of providing experiences beyond that which they would normally receive.

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

Objectives and activities (continued)

c. Public benefit

The Trustees recognise their charitable responsibilities for the advancement of education as described in the Charity Commission's Statement of Recommended Practice. They have also considered public benefit guidance issued by the Charity Commission. The Trustees have recorded in this report the activities carried out by the Trust in order to further charitable purposes for the public benefit.

Strategic report

Achievements and performance

a. Key performance indicators

Whilst the gathering of school data has been impacted by the global Covid-19 pandemic for the second year making benchmarking very challenging, our schools have continued to gather data internally in order to provide a benchmark for performance against the other schools in the Trust and to identify areas of strength and weakness, which in turn is used to identify areas for future development.

Internal Trust data continues to show that each school has its own unique needs and priorities and each school's improvement plan focuses on those needs with 2 school specific objectives with a further Trust-wide objective to implement cohesion, support and the sharing of ideas, skills and expertise in order to further the education of children.

Throughout the pandemic all schools within the Trust have remained open for key worker and vulnerable children Free School meals have been provided and remote education has been delivered to children ineligible to attend school during the national lockdowns. This included timetabled learning each day focusing on core subjects, as well as elements of bespoke topic work to ensure children had access to as much of the national curriculum as possible, despite it being suspended. The remote learning package included a significant element of blended learning, both of paper based resources, the Oak Academy resources and on-line lessons in the form of pre-recorded class teacher videos. All schools provided safe access hubs for parents and carers to enable collection of further remote learning provision throughout lockdown.

Whilst acknowledging the challenges that the Trust will face as we deal with the ongoing and subsequent after effects of the Covid-19 pandemic, the Trustees fully recognise the need for continued improvement in each individual school. Relevant improvement plans are in place and all of our schools are focused on achieving the Trust's aims of high standards for both achievement and attainment for all of our young people.

b. Going concern

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

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

Strategic report (continued)

Financial review

During the year, the Trust received total income of £1,856,368 and incurred total expenditure of £1,872,825. Actuarial losses on the defined benefit pension scheme were £264,000. Net movement in funds for the year was therefore a deficit of £280,457.

Excluding pension reserve and restricted fixed asset funds, the Trust generated a surplus of £86,921.

a. Reserves policy

The Trust will work towards establishing a level of free reserves* to provide sufficient working capital to cover unforeseen delays between spending and receipt of grants, provide a cushion to deal with unexpected emergencies such as urgent maintenance, and allow for fluctuations in pupil numbers in future years. They will aim for the level of these reserves to be in the range of £100,000 to £150,000; representing approximately:

- One month's payroll (the lower end of the range)
- 11.5% of GAG (the higher end of the range)

The actual level of reserves held will be determined by the Trustees annually in accordance with the review and approval of on-going budget setting, so this can fluctuate depending on operational needs and strategic investment priorities.

* For the purpose of the Trust policy, this will constitute unrestricted funds and any restricted GAG funds, but exclude any other restricted funds or donations provided for specific purposes.

As at 31 August 2021, the Trust held free reserves of £221,402 (2020: £134,458), with other restricted funds (excluding GAG funds) being £53,058 (2020: £53,081). The deficit held in the pension reserve was £1,479,000 (2020: £1,126,000 deficit) and the net book value of fixed assets was held in restricted fixed asset funds, being £2,438,519 (2020: £2,445,817).

b. Investment policy

The Trust seeks to maximise returns from investments, minimise risk and maintain flexibility and access to funds.

c. Principal risks and uncertainties

The Trust has a risk register to identify major risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The aim is for the risk register to be reviewed in the next academic year and made available for discussion by the Trustees.

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

Fundraising

The Trust does not actively raise funds from the school community. Professional fundraisers or commercial participators are not used. No complaints have been received in relation to fundraising activities. The Trust endeavours to take all practical measures to protect the public from unreasonable intrusion on a person's privacy, unreasonably persistent approaches and undue pressure to give.

The schools have Friends / PTA organisations that raise money through activities such as bake sales, non-uniform days etc. but those organisations choose how the money that they have raised will be spent in conjunction with the Headteacher of each school.

The Trust does not have any plans to raise significant monies via any Trust wide fundraising activity.

Plans for future periods

- Embed our CARE vision into the curriculum and teaching at all three schools;
- Develop and implement our digital strategy across the Trust, with a rolling plan for expansion of IT to support and enhance blended learning;
- To continue to grow the Trust into Good and Outstanding schools in order to best achieve outstanding outcomes for all pupils in all schools;
- To develop strong links, partnerships and relationships with other small Multi Academy Trusts;
- To develop the Trust within the Eastern Region focusing on growth with other schools with the same mind set and values;
- To continue to develop co-operative values and principles in all aspects of the Trust, ensuring an evidential link between school improvement and being co-operative;
- To continue to develop a highly effective central services function to continue the smooth running of all schools allowing them to benefit from economies of scale and to focus on teaching and learning;
- To continue to develop the role of the Trust Deputy Headteacher to support the CEO and all Headteachers with school improvement;
- To maintain Banham Primary School's "outstanding" grading and to ensure the Trust's other schools are either "good" or "outstanding" by their next Ofsted;
- Progress and attainment measures to exceed National Standards across all schools in the Trust;
- Develop a Trust-wide building and maintenance programme to focus on improving the physical environment for learning across the Trust.

Funds held as custodian on behalf of others

The Trust does not currently hold any funds on behalf of others.

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

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
- 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 7 December 2021 and signed on its behalf by:



Julie Fletcher
Chair

CO-OPERATIVE EDUCATION EAST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Co-operative Education East 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 Co-operative Education East and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 5 times during the year, to ensure a robust focus on the management of finances is undertaken. As a result of Covid-19, all meetings have been held remotely.

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

Trustee	Meetings attended	Out of a possible
Julie Fletcher, Chair	5	5
Paul Bunn, Accounting Officer	5	5
Nick O'Dell	3	5
David Clover	5	5
Kathryn Dunning	5	5

Board members are appointed on the basis of the key skills offered by potential director volunteers.

Although only 5 Board of Trustee meetings were held during the year, all Trustees were also invited to attend Finance and Audit Committee meetings throughout the year to ensure effective oversight of funds was maintained.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to exercise responsibility and oversight of:

1. The overall finances of the Trust
2. The financial aspects of personnel of the Trust and its constituent schools
3. The premises of the Trust
4. To ensure all audit requirements and controls are adhered to in line with the Academies Financial Handbook

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Kathryn Dunning, Chair	6	6
Paul Bunn	6	6
David Clover	6	6
Julie Fletcher	6	6
Nick O'Dell	5	6
Simon Gray, CFO	6	6

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 achieved in return for the taxpayer resources received.

The Accounting Officer considers how the 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 Trust has delivered improved value for money during the year by:

- Building further on the database of all services and contracts in the Trust's schools.
- Ensuring the same supplier for services in all schools where possible to benefit from economies of scale.
- Renegotiating contracts and deferring price increases with suppliers.

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 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 Co-operative Education East for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have instructed Price Bailey LLP to perform additional assurance work in the accounting period and produce an annual internal scrutiny report. These reports have been produced and reviewed by the Board of Trustees.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. Specifically, the checks carried out in the current year related to procedures for administering and processing HR.

The Trustees have delegated the CEO to review the findings of the report from Price Bailey LLP and to work with the Chief Finance Officer and Headteachers going forward to implement changes to reflect the findings.

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 external auditors;
- the work and feedback of the executive managers within the Trust who have relevant responsibility

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

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GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on their behalf by:



Julie Fletcher
Chair



Paul Bunn
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Co-operative Education East I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



Paul Bunn
Accounting Officer
Date: 7 December 2021

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on its behalf by:



Julie Fletcher
Chair

CO-OPERATIVE EDUCATION EAST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CO-OPERATIVE EDUCATION EAST

Opinion

We have audited the financial statements of Co-operative Education East (the 'Trust') for the year ended 31 August 2021 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 2020 to 2021 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 Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 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 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 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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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CO-OPERATIVE EDUCATION EAST (CONTINUED)

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 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.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CO-OPERATIVE EDUCATION EAST (CONTINUED)

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the 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 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 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:

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Academies Accounts Direction 2020 to 2021, the Academies Financial Handbook 2020, the Charities SORP 2019, the Companies Act 2006, the Charities Act 2011, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF CO-OPERATIVE EDUCATION EAST (CONTINUED)

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Because of 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. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable Trust and its Members, as a body, for our audit work, for this report, or for the opinions we have formed.



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of

MA Partners Audit LLP

Chartered Accountants

Statutory Auditors

7 The Close

Norwich

Norfolk

NR1 4DJ

Date: 20 December 2021

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CO-OPERATIVE EDUCATION EAST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Co-operative Education East during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Co-operative Education East and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Co-operative Education East 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 Co-operative Education East and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Co-operative Education East's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Co-operative Education East's funding agreement with the Secretary of State for Education dated 28 October 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CO-OPERATIVE EDUCATION EAST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefited from any transaction and that goods any services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purpose intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with Part 8: Schedule of requirements (the "musts") of the Academies Financial Handbook 2020.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

Conclusion

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

MA Partners Audit LLP

MA Partners Audit LLP
Chartered Accountants
Statutory Auditors
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 20 December 2021

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	320	108,477	18,421	127,218	72,747
Other trading activities	5	6,668	-	-	6,668	9,568
Investments	6	39	-	-	39	221
Charitable activities	4	34,057	1,688,386	-	1,722,443	1,565,309
Total income		41,084	1,796,863	18,421	1,856,368	1,647,845
Expenditure on:						
Charitable activities	7	-	1,826,929	45,896	1,872,825	1,646,897
Total expenditure		-	1,826,929	45,896	1,872,825	1,646,897
Net income/(expenditure)		41,084	(30,066)	(27,475)	(16,457)	948
Transfers between funds	17	(16,645)	3,548	13,097	-	-
Net movement in funds before other recognised gains/(losses)		24,439	(26,518)	(14,378)	(16,457)	948
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(264,000)	-	(264,000)	(167,000)
Net movement in funds		24,439	(290,518)	(14,378)	(280,457)	(166,052)

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Reconciliation of funds:					
Total funds brought forward	78,884	(1,017,345)	2,452,897	1,514,436	1,680,488
Net movement in funds	24,439	(290,518)	(14,378)	(280,457)	(166,052)
Total funds carried forward	103,323	(1,307,863)	2,438,519	1,233,979	1,514,436

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

The notes on pages 28 to 59 form part of these financial statements.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)
REGISTERED NUMBER: 10365323

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	2,438,519	2,445,817
		<u>2,438,519</u>	<u>2,445,817</u>
Current assets			
Debtors	15	72,242	48,300
Cash at bank and in hand		339,426	244,972
		<u>411,668</u>	<u>293,272</u>
Creditors: amounts falling due within one year	16	(137,208)	(98,653)
		<u>274,460</u>	<u>194,619</u>
Net current assets		<u>274,460</u>	<u>194,619</u>
Total assets less current liabilities		<u>2,712,979</u>	<u>2,640,436</u>
Net assets excluding pension liability		<u>2,712,979</u>	<u>2,640,436</u>
Defined benefit pension scheme liability	23	(1,479,000)	(1,126,000)
Total net assets		<u><u>1,233,979</u></u>	<u><u>1,514,436</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	17	2,438,519	2,452,897
Restricted income funds	17	171,137	108,655
		<u>2,609,656</u>	<u>2,561,552</u>
Restricted funds excluding pension asset	17	2,609,656	2,561,552
Pension reserve	17	(1,479,000)	(1,126,000)
		<u>1,130,656</u>	<u>1,435,552</u>
Total restricted funds	17	<u>1,130,656</u>	<u>1,435,552</u>
Unrestricted income funds	17	<u>103,323</u>	<u>78,884</u>
Total funds		<u><u>1,233,979</u></u>	<u><u>1,514,436</u></u>

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)
REGISTERED NUMBER: 10365323

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 59 were approved by the Trustees, and authorised for issue on 7 December 2021 and are signed on their behalf, by:



.....
Julie Fletcher
Chair

The notes on pages 28 to 59 form part of these financial statements.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	114,592	55,475
Cash flows from investing activities	20	(20,138)	(2,979)
Change in cash and cash equivalents in the year		94,454	52,496
Cash and cash equivalents at the beginning of the year		244,972	192,476
Cash and cash equivalents at the end of the year	21, 22	<u>339,426</u>	<u>244,972</u>

The notes on pages 28 to 59 from part of these financial statements

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Co-operative Education East meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the 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 Trust has provided the goods or services.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

• **Charitable activities**

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the 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 Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Taxation

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

1.7 Tangible fixed assets

Assets costing £5,000 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:

Freehold land	- not depreciated
Freehold buildings	- 2% straight line
Property improvements	- 2% straight line
Furniture and equipment	- 15% straight line
Computer equipment	- 33% 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.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

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

1.13 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 funds 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.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In assessing the carrying value of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Donations	320	-	3,119	3,439	7,518
Capital Grants	-	-	15,302	15,302	15,229
Royalties	-	108,477	-	108,477	50,000
Total 2021	<u>320</u>	<u>108,477</u>	<u>18,421</u>	<u>127,218</u>	<u>72,747</u>
<i>Total 2020</i>	<u>3,043</u>	<u>54,475</u>	<u>15,229</u>	<u>72,747</u>	

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

4. Funding for the Trust's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,360,997	1,360,997	1,275,349
Other DfE/ESFA grants				
Pupil Premium	-	67,178	67,178	55,439
PE and Sports grant	-	50,480	50,480	50,460
Teachers' Pension Grant	-	41,210	41,210	41,475
School meals funding	-	40,731	40,731	45,027
Teachers' Pay Grant	-	14,584	14,584	14,678
Rates relief	-	6,451	6,451	6,451
Other ESFA grants	-	1,750	1,750	7,900
	-	1,583,381	1,583,381	1,496,779
Other Government grants				
SEN funding	-	57,459	57,459	26,001
Nursery funding	-	20,059	20,059	8,724
Other LA funding	-	4,550	4,550	4,800
	-	82,068	82,068	39,525
Other income from the Trust's educational operations	34,057	-	34,057	26,912
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	22,800	22,800	-
Other DfE/ESFA COVID-19 funding	-	137	137	2,093
	-	22,937	22,937	2,093
Total 2021	34,057	1,688,386	1,722,443	1,565,309
<i>Total 2020</i>	<i>26,912</i>	<i>1,538,397</i>	<i>1,565,309</i>	

The Trust received £22,800 of funding for catch-up premium and costs incurred in respect of this funding totalled £22,800, with no amounts remaining to be spent in 2021/22.

CO-OPERATIVE EDUCATION EAST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Reimbursement of staff time	-	-	7,420
Insurance claims	-	-	662
Lettings income	(47)	(47)	187
Other income	6,715	6,715	1,299
Total 2021	<u>6,668</u>	<u>6,668</u>	<u>9,568</u>
<i>Total 2020</i>	<u>9,568</u>	<u>9,568</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank interest	39	39	221
<i>Total 2020</i>	<u>221</u>	<u>221</u>	

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FOR THE YEAR ENDED 31 AUGUST 2021

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	<i>Total 2020 £</i>
Educational operations:					
Direct costs	1,163,199	-	77,774	1,240,973	1,133,738
Support costs	251,576	192,727	187,549	631,852	513,159
Total 2021	<u>1,414,775</u>	<u>192,727</u>	<u>265,323</u>	<u>1,872,825</u>	<u>1,646,897</u>
<i>Total 2020</i>	<u>1,307,869</u>	<u>119,342</u>	<u>219,686</u>	<u>1,646,897</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Educational operations	1,240,973	631,852	1,872,825	1,646,897
<i>Total 2020</i>	<u>1,133,738</u>	<u>513,159</u>	<u>1,646,897</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	1,163,199	<i>1,074,380</i>
Educational supplies	41,906	<i>22,366</i>
Staff development	13,510	<i>6,763</i>
Educational consultancy	13,095	<i>8,341</i>
Educational visits	4,538	<i>8,156</i>
Educational professional services	4,120	<i>13,620</i>
Club provisions	605	<i>112</i>
Total 2021	<u>1,240,973</u>	<i><u>1,133,738</u></i>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	251,576	233,489
Maintenance of property and equipment	103,147	40,246
Catering	59,456	48,791
Depreciation	45,896	40,443
Governance costs	36,930	37,980
Technology costs	30,088	14,177
Cleaning	26,748	17,914
Energy and water costs	22,501	22,032
Pension interest	20,000	17,000
Insurance	11,012	10,847
Subscriptions	8,145	12,977
Rent and rates	7,828	6,647
Other admin expenses	5,863	4,538
Bank charges	1,431	1,515
Staff recruitment and support	1,231	3,813
Legal fees	-	750
Total 2021	631,852	513,159

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	<i>2020 £</i>
Depreciation of tangible fixed assets	45,896	40,443
Auditors' remuneration - audit	7,605	7,390
Auditors' remuneration - other services	3,948	4,726
Operating lease rentals	1,077	1,609

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	1,001,273	943,676
Social security costs	82,596	76,463
Pension costs	280,861	262,018
	<u>1,364,730</u>	<u>1,282,157</u>
Agency staff costs	50,045	25,712
	<u>1,414,775</u>	<u>1,307,869</u>

b. Staff numbers

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

	2021 No.	2020 No.
Teachers	15	14
Administration and Support	34	34
Management	5	5
	<u>54</u>	<u>53</u>

The average headcount expressed as full-time equivalents was:

	2021 No.	2020 No.
Teachers	12	11
Administration and Support	17	14
Management	5	4
	<u>34</u>	<u>29</u>

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10. Staff (continued)

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £310,596 (2020 - £311,795).

11. Central services

The Trust works as a co-operative, with member schools using equitable economic participation on many aspects jointly procured through the central services. In most instances, each school is given the option as to whether to be included in this joint procurement in order to achieve economies of scale. Examples of goods and services provided in this way are building and maintenance contracts and management information systems. Items procured centrally, but paid directly by each school are not included in the amounts shown in this section.

A few services, however, are provided centrally for all academies in the Trust, reflecting the legal and operational nature of a Multi Academy Trust. These are:

- Human resources and payroll
- Financial services
- Legal services
- Educational support services
- Central Trust administration and procurement
- Central management and co-ordination
- Design, marketing and web support

The Trust charges for these services on the following basis:

A flat percentage of GAG income basis (11.5%) (2020: 10%)

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Banham Primary School	57,552	47,116
Bunwell Primary School	45,867	39,389
Thompson Primary School	53,096	41,030
Total	156,515	127,535

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

		2021	2020
		£	£
Paul Bunn, Accounting Officer (appointed 1 February 2020)	Remuneration	10,000 - 15,000	<i>5,000 - 10,000</i>
	Pension contributions paid	0 - 5,000	<i>0 - 5,000</i>
Jennifer Gill, Accounting Officer (5 June 2019 to 31 January 2020)	Remuneration	N/A	<i>10,000 - 15,000</i>
	Pension contributions paid	N/A	<i>0 - 5,000</i>

During the year ended 31 August 2021, no expenses were reimbursed or paid directly to any Trustee (2020 - £Nil).

13. Trustees' and Officers' insurance

The 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 Trust 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Property improvements £	Total £
Cost or valuation					
At 1 September 2020	2,486,143	35,509	7,169	48,356	2,577,177
Additions	-	-	29,598	9,000	38,598
At 31 August 2021	<u>2,486,143</u>	<u>35,509</u>	<u>36,767</u>	<u>57,356</u>	<u>2,615,775</u>
Depreciation					
At 1 September 2020	117,728	9,645	1,774	2,213	131,360
Charge for the year	32,503	5,326	7,025	1,042	45,896
At 31 August 2021	<u>150,231</u>	<u>14,971</u>	<u>8,799</u>	<u>3,255</u>	<u>177,256</u>
Net book value					
At 31 August 2021	<u><u>2,335,912</u></u>	<u><u>20,538</u></u>	<u><u>27,968</u></u>	<u><u>54,101</u></u>	<u><u>2,438,519</u></u>
At 31 August 2020	<u><u>2,368,415</u></u>	<u><u>25,864</u></u>	<u><u>5,395</u></u>	<u><u>46,143</u></u>	<u><u>2,445,817</u></u>

15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	504	922
VAT recoverable	20,625	11,656
Prepayments and accrued income	51,113	35,722
	<u>72,242</u>	<u>48,300</u>

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16. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£	£
Trade creditors	20,976	<i>11,389</i>
Other taxation and social security	18,222	<i>16,320</i>
Other creditors	84	<i>756</i>
Accruals and deferred income	97,926	<i>70,188</i>
	137,208	<i>98,653</i>
	2021	<i>2020</i>
	£	£
Deferred income		
Deferred income at 1 September 2020	29,021	<i>25,337</i>
Resources deferred during the year	25,650	<i>29,021</i>
Amounts released from previous periods	(29,021)	<i>(25,337)</i>
Deferred income at 31 August 2019	25,650	<i>29,021</i>

At the Balance Sheet date the Trust had received the following income relating to the period after the Balance Sheet date:

- Free School Meals Funding (£21,398)
- Trips/clubs income (£4,252)

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NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	78,884	41,084	-	(16,645)	-	103,323

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

17. Statement of funds (continued)

**Restricted
general funds**

General Annual Grant (GAG)	55,574	1,360,997	(1,236,215)	(62,277)	-	118,079
Pupil Premium	10	67,178	(68,926)	1,738	-	-
Universal Infant Free School Meals	3,284	40,731	(44,015)	-	-	-
Rates relief	4,280	6,451	(6,533)	-	-	4,198
Nursery funding	-	20,059	(20,059)	-	-	-
PE and Sports grant	41,507	50,480	(43,127)	-	-	48,860
Bequest donation	-	108,477	(108,477)	-	-	-
SEN funding	-	57,459	(57,459)	-	-	-
LAC funding	-	4,550	(4,583)	33	-	-
Catch-up premium	-	22,800	(22,800)	-	-	-
Teachers' pay grant	-	14,584	(14,584)	-	-	-
Apprenticeship funding	-	1,750	(1,750)	-	-	-
DFC spent on revenue expenditure	-	-	(3,054)	3,054	-	-
Teachers' pension grant	-	41,210	(41,210)	-	-	-
Other Covid-19 funding - ESFA/DfE	-	137	(137)	-	-	-
Other restricted donations	4,000	-	-	(4,000)	-	-
Pension reserve	(1,126,000)	-	(154,000)	65,000	(264,000)	(1,479,000)
	(1,017,345)	1,796,863	(1,826,929)	3,548	(264,000)	(1,307,863)

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

Restricted fixed asset funds

Assets transferred on conversion	2,368,415	-	(32,503)	-	-	2,335,912
Capital assets purchased from GAG	49,716	-	(3,804)	9,000	-	54,912
Capital assets purchased from Pupil Premium	3,553	-	(76)	-	-	3,477
Capital assets purchased from PE grant	20,919	-	(4,232)	-	-	16,687
Devolved Formula Capital	7,080	15,302	(3,423)	97	-	19,056
Capital assets purchased from donations	3,214	-	(1,172)	4,000	-	6,042
Donated assets	-	3,119	(686)	-	-	2,433
	<u>2,452,897</u>	<u>18,421</u>	<u>(45,896)</u>	<u>13,097</u>	<u>-</u>	<u>2,438,519</u>
Total Restricted funds	<u>1,435,552</u>	<u>1,815,284</u>	<u>(1,872,825)</u>	<u>16,645</u>	<u>(264,000)</u>	<u>1,130,656</u>
Total funds	<u><u>1,514,436</u></u>	<u><u>1,856,368</u></u>	<u><u>(1,872,825)</u></u>	<u><u>-</u></u>	<u><u>(264,000)</u></u>	<u><u>1,233,979</u></u>

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

The General Annual Grant (GAG) is for the normal running costs of the schools within the Trust. The following transfers have been made from the GAG: £65,000 to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme, £9,000 for capital expenditure from the GAG fund and £4,922 to clear deficits arising in restricted funds. £16,645 has been transferred from unrestricted funds to reduce the deficit on the GAG fund.

The Pupil Premium income has been provided by the ESFA to help raise the attainment of disadvantaged pupils.

Funding was received from the ESFA to assist with the provision of Universal Infant Free School Meals.

Rates relief is received from the ESFA towards the cost of rates for the Trust.

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

Nursery funding was received from the Local Authority for Early Years provision at Bunwell Primary School, following the opening of the nursery in January 2020.

The PE and sports grant represents funding received towards the cost of improving PE provision.

The assignment of royalties were received during the year. The monies received are to be utilised on general expenditure in relation to Bunwell Primary School.

SEN funding is focused on children with special educational needs, and is utilised on SEN co-ordinators and additional teaching resources orientated to support normal curriculum learning.

Funding was received from the Local Authority to support Looked After Children at schools within the Trust.

Catch-up premium funding was received to support pupils to catch up on missed learning caused by Covid-19.

The pension reserve deficit at the year end was £1,126,000 and represents the Trust's share of the deficit of the relevant Local Government Pension Schemes.

Devolved Formula Capital funding is received for minor capital works and ICT replacement within the Trust.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	67,359	39,744	-	(28,219)	-	78,884

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

**Restricted
general funds**

General Annual Grant (GAG)	3,858	1,275,349	(1,176,104)	(47,529)	-	55,574
Pupil Premium	-	55,439	(55,576)	147	-	10
Universal Infant Free School Meals	-	45,027	(41,743)	-	-	3,284
Rates relief	4,511	6,451	(6,682)	-	-	4,280
Nursery funding	-	8,724	(8,724)	-	-	-
PE and Sports grant	10,996	50,460	(19,949)	-	-	41,507
Bequest donation	-	50,000	(50,000)	-	-	-
SEN funding	-	26,001	(26,001)	-	-	-
LAC funding	264	4,800	(5,236)	172	-	-
Teachers' pay grant	-	14,678	(14,678)	-	-	-
Apprenticeship funding	-	7,900	(7,900)	-	-	-
DFC spent on revenue expenditure	-	-	(12,818)	12,818	-	-
Teachers' pension grant	-	41,475	(41,475)	-	-	-
Other Covid-19 funding - ESFA/DfE	-	2,093	(2,093)	-	-	-
Other restricted donations	-	4,475	(475)	-	-	4,000
Pension reserve	(879,000)	-	(137,000)	57,000	(167,000)	(1,126,000)
	<u>(859,371)</u>	<u>1,592,872</u>	<u>(1,606,454)</u>	<u>22,608</u>	<u>(167,000)</u>	<u>(1,017,345)</u>

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17. Statement of funds (continued)

**Restricted fixed
asset funds**

Assets transferred on conversion	2,400,918	-	(32,503)	-	-	2,368,415
Capital assets purchased from GAG	34,297	-	(3,010)	18,429	-	49,716
Capital assets purchased from Pupil Premium	3,629	-	(76)	-	-	3,553
Capital assets purchased from PE grant	25,151	-	(4,232)	-	-	20,919
Devolved Formula Capital	4,669	15,229	-	(12,818)	-	7,080
Capital assets purchased from donations	3,836	-	(622)	-	-	3,214
	<u>2,472,500</u>	<u>15,229</u>	<u>(40,443)</u>	<u>5,611</u>	<u>-</u>	<u>2,452,897</u>
Total Restricted funds	<u>1,613,129</u>	<u>1,608,101</u>	<u>(1,646,897)</u>	<u>28,219</u>	<u>(167,000)</u>	<u>1,435,552</u>
Total funds	<u><u>1,680,488</u></u>	<u><u>1,647,845</u></u>	<u><u>(1,646,897)</u></u>	<u><u>-</u></u>	<u><u>(167,000)</u></u>	<u><u>1,514,436</u></u>

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17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Bunwell Primary School	97,335	46,595
Banham Primary School	8,084	3,984
Thompson Primary School	178,712	153,052
Central services	(9,671)	(16,092)
Total before fixed asset funds and pension reserve	274,460	187,539
Restricted fixed asset fund	2,438,519	2,452,897
Pension reserve	(1,479,000)	(1,126,000)
Total	1,233,979	1,514,436

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Bunwell Primary School	372,527	36,243	14,431	125,913	549,114	482,460
Banham Primary School	385,034	50,754	14,217	109,565	559,570	483,901
Thompson Primary School	355,817	21,737	13,258	89,223	480,035	407,374
Central services	49,821	142,842	-	45,547	238,210	232,719
Trust	1,163,199	251,576	41,906	370,248	1,826,929	1,606,454

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	2,438,519	2,438,519
Current assets	107,575	304,093	-	411,668
Creditors due within one year	(4,252)	(132,956)	-	(137,208)
Provisions for liabilities and charges	-	(1,479,000)	-	(1,479,000)
Total	103,323	(1,307,863)	2,438,519	1,233,979

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	2,445,817	2,445,817
Current assets	82,488	203,704	7,080	293,272
Creditors due within one year	(3,604)	(95,049)	-	(98,653)
Provisions for liabilities and charges	-	(1,126,000)	-	(1,126,000)
Total	78,884	(1,017,345)	2,452,897	1,514,436

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NOTES TO THE FINANCIAL STATEMENTS
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19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(16,457)	948
Adjustments for:		
Depreciation	45,896	40,443
Capital grants from DfE and other capital income	(15,302)	(15,229)
Defined benefit pension scheme cost less contributions payable	69,000	63,000
Defined benefit pension scheme finance cost	20,000	17,000
Increase in debtors	(23,942)	(9,622)
Increase/(decrease) in creditors	38,555	(40,844)
Dividends, interest and rents from investments	(39)	(221)
Donated assets	(3,119)	-
Net cash provided by operating activities	114,592	55,475

20. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	39	221
Purchase of tangible fixed assets	(35,479)	(18,429)
Capital grants from DfE Group	15,302	15,229
Net cash used in investing activities	(20,138)	(2,979)

21. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	339,426	244,972
Total cash and cash equivalents	339,426	244,972

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	244,972	94,454	339,426
	<hr/> 244,972 <hr/>	<hr/> 94,454 <hr/>	<hr/> 339,426 <hr/>

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

23. Pension commitments

The 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 Norfolk Pension Fund. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

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23. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £145,364 (2020 - £137,480).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £81,000 (2020 - £72,000), of which employer's contributions totalled £65,000 (2020 - £57,000) and employees' contributions totalled £16,000 (2020 - £15,000). The agreed contribution rates for future years are 19.5 - 20.7 per cent for employers and 5.5 - 12.5 per cent for employees.

The LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained schools and new employees who were eligible to, and did, join the Scheme since that date. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the 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

	2021	<i>2020</i>
	%	%
Rate of increase in salaries	3.6	2.9
Rate of increase for pensions in payment/inflation	2.9	2.2
Discount rate	1.65	1.7

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	21.9	21.7
Females	24.3	23.9
<i>Retiring in 20 years</i>		
Males	23.2	22.8
Females	26.2	25.5

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23. Pension commitments (continued)

Sensitivity analysis

	2021	<i>2020</i>
	£000	<i>£000</i>
Discount rate -0.1%	55	<i>44</i>
Salary increase rate +0.1%	6	<i>5</i>
Pension increase rate +0.1%	48	<i>38</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2021	<i>2020</i>
	£	<i>£</i>
Equities	409,530	<i>304,500</i>
Bonds	273,020	<i>213,150</i>
Property	88,330	<i>66,990</i>
Cash	32,120	<i>24,360</i>
	=====	<i>=====</i>
Total market value of assets	803,000	<i>609,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £120,000 (2020 - £(39,000)).

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

	2021	<i>2020</i>
	£	<i>£</i>
Current service cost	(134,000)	<i>(120,000)</i>
Interest income	11,000	<i>12,000</i>
Interest cost	(31,000)	<i>(29,000)</i>
	=====	<i>=====</i>
Total amount recognised in the Statement of financial activities	(154,000)	<i>(137,000)</i>
	=====	<i>=====</i>

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23. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	1,735,000	1,468,000
Current service cost	134,000	120,000
Interest cost	31,000	29,000
Employee contributions	16,000	15,000
Actuarial losses	373,000	116,000
Benefits paid	(7,000)	(13,000)
At 31 August	2,282,000	1,735,000

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

	2021 £	2020 £
At 1 September	609,000	589,000
Interest income	11,000	12,000
Actuarial gains/(losses)	109,000	(51,000)
Employer contributions	65,000	57,000
Employee contributions	16,000	15,000
Benefits paid	(7,000)	(13,000)
At 31 August	803,000	609,000

24. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	1,077	1,076
Later than 1 year and not later than 5 years	1,484	2,561
	2,561	3,637

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25. 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.

26. Related party transactions

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

Expenditure Related Party Transactions

During the year, £208 was paid to Woods Grounds and Maintenance. This supplier is the father of Lisa Heath, a member of the Senior Leadership Team. The Trust made the purchase at arms' length. In entering into the transaction the Trust has complied with the requirements of the Academies Financial Handbook 2020.

During the prior year £1,050 was paid to Nick O'Dell, a Trustee, for his role as Business Manager for the Acorn Co-operative Learning Alliance. No such transactions took place in the current year.