

Cornwall Education Learning Trust

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2020

Company Registration number: 07565242 (England and Wales)

Cornwall Education Learning Trust

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Cornwall Education Learning Trust

Reference and Administrative Details

Members	I Taylor M Cooper (resigned 8 November 2019) J Mustoe (resigned 23 February 2020) D Hobbs (appointed 1 November 2019) N Warren (appointed 1 November 2019)
Trustees (Directors)	A G Brown, Chair (appointed 8 November 2019) J E Childs S M Dixon (appointed 8 November 2019) S Dunn (appointed 8 November 2019) J Knights A S Mann, Vice Chair (appointed 8 November 2019) J S Parker (appointed 8 November 2019) K S Pinnell (appointed 8 November 2019) J C Simeons G J Slater J Beldon (resigned 22 November 2019) M Cooper, Chair (resigned 8 November 2019) K M Pearce, Vice Chair (resigned 8 November 2019)
Chief Executive Officer	L Mannall
Company Secretary	Andy Keast (Resigned 30 September 2020) C Carter (Appointed 1 October 2020)
Senior Management Team	L Mannall, Trust Lead & Accounting Officer S Karkeek, Deputy Trust Lead J Gerrish, Chief Operations Officer A Keast, Chief Operations Officer
Principal and Registered Office	Unit 15 & 16 St Austell Business Park Treverbyn Road St Austell Cornwall PL25 4FD
Company Registration Number	07565242

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Reference and Administrative Details (continued)

Independent Auditors	PKF Francis Clark Statutory Auditor North Quay House Sutton Harbour Plymouth PL4 0RA
Bankers	Lloyds Bank St Austell Cornwall PL25 5AZ
Solicitors	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a Trustees' report under company law. The Trust operates a Multi Academy Trust serving the area of mid-Cornwall, predominantly in and around the towns and villages close to Newquay, St Stephen and St Austell, and consists of 13 academies ranging from pupils/students aged 3 to 19. Its academies have a combined capacity of 7,530 pupils/students and had a roll of 7,196 in the school census in October 2020.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Cornwall Education Learning Trust are also the Trustees of the charitable company for the purposes of company law. The charitable company is known as Cornwall Education Learning Trust.

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

Members' liability

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

Trustees' indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Trustees

The Members may appoint Trustees (not less than three, and up to a maximum of seven), with Trustees appointed by Members making up the majority of Trustees. Additional Trustees can be appointed by the Board of Trustees but will undergo the same process of selection. The Trust Lead shall be treated for all purposes as being an ex officio Trustee. Appointment of Trustees will be via a written application, skills audit analysis and interview. Subject to the receiving of satisfactory references, the Governance Officer will continue with the 'Safer Recruitment' process followed by CELT and then with the formal induction of the new Trustee. The Members will look to provide a well-balanced Board in terms of skills, gender, experience, ethnicity and diversity. The term of office for any Trustee shall be 4 years, save that this time limit shall not apply to the Trust Lead whose term of office ends should they leave their post. Subject to remaining eligible, any Trustee may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

The Trust Lead, Deputy Trust Lead, COO, Headteachers, Senior Leadership Teams, Clerk to Board, and colleagues on the Board of Trustees support fellow Trustees and provide them with essential information about the Trust and the role of Trustees within the Trust. These include:

- the Department for Education Guide to the Law.
- details of all schools, their staff and its recent performance and assessment information.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

- details of the Board including minutes, dates of meetings, committee structure and terms of reference.
 - the most recent Trust development and financial plans, Ofsted inspection reports and school prospectus' etc.
 - details of training opportunities.
- As a partner within the Kernow Teaching School Alliance, CELT Trustees can take part in targeted governor training.

Cornwall Council also provides governors/Trustees with a variety of forms of help and support in proportion to their need. A programme of training and other forms of support is provided and reviewed each year to meet the needs of Trustees. Some training, support and information is provided free of charge whilst other opportunities are available through a purchased service. Full details are made available via the individual academies and passed on to all new and existing Trustees. Alternatively, full details of courses provided are available on the council's website.

Organisational structure

CELT is currently made up of three Members. The Trust's founding Members signed the Memorandum of Association and the current members have appointed Trustees to the Trust; these persons are included in the Reference and Administrative Details section of this report.

The roles and responsibilities of all Trustees are defined in the Articles of Association and Terms of Reference which are set out by the Members for each of the sub-committees: Quality Assurance; Estates, IT and Climate & Environmental Emergency; Staffing & Remuneration; Audit & Finance. Other ad-hoc committees include, for example, Appeals, Disciplinary, and Exclusions.

The Trust Lead is responsible for the day to day implementation and delivery of the strategic development plan as agreed with the Trustees. The Trust Lead is supported by an Executive Team, including the Deputy Trust Lead and the Chief Operating Officer, together with regular consultation with all Headteachers and their own Senior Leadership Teams (SLT). Members of the SLTs have specific roles, responsibilities and delegated authority that require and enable them to successfully support the Executive Team in the delivery of the strategic development plan.

Beyond the SLT, the model of distributive leadership has been extended to delegate responsibility for aspects of academy teaching, learning and administration to nominated individuals who report to the Trust Lead and leadership teams.

Matters which must be referred to the Trustees either through the committee structure or full Board are:

- the annual Academy budget and staffing proposals.
- decisions which would involve a breach of the financial regulations of the ESFA.
- proposals for significant change of use of the academy buildings or sites.
- proposals for new building development.
- proposals which require expenditure beyond the terms of reference of current budgets.
- any issues involving discipline, resignation and redundancy of staff.
- academies Curriculum Plan proposals.

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Trustees' Report for the Year Ended 31 August 2020 (continued)

- decisions which lie outside existing policy or would involve a change of policy.
- decisions which would involve a breach of Statutory Regulations.

Arrangements for setting pay and remuneration of key management personnel

The Trust has a framework for a clear and consistent assessment of the overall Performance Management and pay of all staff. Performance Management for the Trust is a supportive and developmental process designed to ensure staff know what is expected of them, how they are performing and what can be done to strengthen their performance. It will help to ensure that staff are able to continue to improve their professional practice, develop in their respective roles and help them reach their full potential. In respect of teaching staff this process is supported by guidance contained in self review forms (to be given to the employee in advance of the interview), 'Teachers' Standards Progression Maps, example targets which relate to the Trust and school strategic objectives, Personal and Professional Conduct, and other guidance relevant at the time.

The performance of the Trust Lead will be managed by a nominated Committee of the Board of Trustees consisting of three members (Chair of Board, Chair of Staffing Committee and one other), with the option to be supported by a suitably skilled and/or experienced external adviser who has been appointed by the Board of Trustees for that purpose.

The performance of each Headteacher is managed by the Chair of the Board supported by the Trust Lead and Deputy Trust Lead. The performance of other key management personnel, including those staff paid on the leadership pay scale, is managed by the Trust Lead, Deputy Trust Lead, and Headteachers (as appropriate).

At the end of the Performance Management cycle all staff will receive a draft Performance Management Statement. Staff have the opportunity to comment on the content of the statement prior to its finalisation as the performance record. The report will include:

- details of the performance objectives for the period in question;
- an assessment of the employee's performance in their role and responsibilities against their objectives and the relevant standards, where they exist;
- an assessment of the employee's training and development needs and identification of any action that should be taken to address them;
- a recommendation on pay where that is relevant.

All pay progression recommendations are considered by the Headteacher, the Trust Lead or the Chair of Trustees, whichever is appropriate. All pay progression is scrutinised by the Trustees for budgeting purposes to ensure that balanced budgets can be set and progression is compliant with the Academies Financial Handbook.

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Trustees' Report for the Year Ended 31 August 2020 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	4.0

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£905
Provide the total pay bill	£28,043,394
Provide the percentage of the total pay bill spent on facility time, calculated as: $(\text{total cost of facility time} \div \text{total pay bill}) \times 100$	0.0032

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: $(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100$	100
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Trustees' Report for the Year Ended 31 August 2020 (continued)

Related parties and other connected charities and organisations

Related parties:

None

Connected parties:

Kernow Teaching School Alliance (KTSA)

The KTSA was designated in 2014 and includes Kernow Learning (with whom CELT work closely with in other ways), Wave Multi-Academy Trust and local authority schools. The KTSA is a committed and principled group of people who share a common vision, including:

- a shared moral purpose to get the best possible outcomes for all the children and young people, no matter what their starting points in life are;
- support and challenge strategic leaders and staff, to have the highest expectations, to be outstanding practitioners, to reflect on practice and to commit to continuous improvement;
- work collaboratively to share knowledge and expertise in the clear belief that everyone can be outstanding;
- value and provide the highest quality training and professional development for everyone, from their early careers, through to Headship, Executive Headship and wider system leadership;
- all training is rigorously quality assured; will achieve the best value for money and will have a positive impact on the life chances of children and young people.

Newquay Sports Network

- As one of 15 schools and academies in the Newquay area the network seeks to deliver a broad range of high-quality sporting opportunities for all primary pupils in the feeder schools to both Newquay Tretherras and Treviglas Community College. Staff are employed at both sites to deliver events and activities. This requires collaboration to share good practice, engaging the wider community in learning together and developing opportunities for excellence.

Newquay Sports & Community Centre (NSCC)

- NSCC has worked in partnership with Cornwall Education Learning Trust and provides a quality Sport, Health, Fitness & Wellbeing facility for the Newquay and area community, students and staff. Staff and a Director of CELT are Members of the NSCC Management Board.

Peninsula Teaching School

- The Peninsula Teaching School Partnership was designated in September 2011 as one of the first 100 Teaching Schools across England, the first in Cornwall and at that time one of only four in South West England. Following changes in headship at both Pool Academy and Penrice Academy the Teaching School was re-designated by NCTL in July 2017.
- From the beginning, the aim of the Teaching School has been to be inclusive, to develop new leaders, provide high levels of school to school support and develop a highly effective CPLD model year on year. In recent years, we have been actively involved in ITT recruitment, through our Peninsula SCITT programme and have successfully trained over 180 teachers. The Peninsula SCITT programme closed in July 2018, however as a Teaching School we remain committed to encouraging potential future teachers into the profession by offering school experience as well as working collaboratively with local providers of ITT.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

- There are currently 19 secondary schools within the alliance and we aim to improve the quality of teaching across our schools to foster high aspirations for young people and to further support each other.

Mid Cornwall Sports Network

- Mid Cornwall Sports Network was established following the withdrawal of Government funding of School Sports Partnerships in 2010. Mid Cornwall Schools strongly believed that a school sport needed to continue, ensuring opportunities for all young people, enable schools to work collaboratively and drive PE and school Sport forward. The Network steering group ensures best practice across Mid Cornwall; by providing opportunities for the up skilling of staff as well as facilitating coaching.

- the Network Manager works alongside The School Games Organiser (SGO) to provide competition at all Levels, motivating and facilitating young people to participate in sport in school and beyond the school day with pathways to local clubs. In order to facilitate these sports, we also train many young leaders to help run these events. Many National initiatives, like Bikeability, are rolled out by the SGO and give even more opportunities to young people.

Objectives and activities

Objects and aims

The objects of Cornwall Education Learning Trust 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 foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

CELT will also promote for the benefit of inhabitants of mid-Cornwall and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interests of social welfare and the object of improving the condition of life of the said inhabitants.

The curriculum at all centres aims to inspire and challenge all learners and prepare pupils/students for the future. The curriculum supports pupils/students in becoming confident individuals, responsible citizens and successful learners who can fulfil their early promise and latent potential within and beyond the classroom. Specialist extra help and support is offered for those with special needs and barriers to learning.

Objectives, strategies and activities

Created in November 2019, the Trust's mission and vision are:

Our Mission:

"Learning together to help every child achieve more."

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

We believe there is no limit to what every child can achieve, and that every child deserves the chance to fulfil their potential. As a learning community we are on an ambitious journey. We want to deliver a model for education in the 21st century which instils curiosity and a love for learning in every child so that they develop into young adults who contribute to humanity, follow their passions, and think for themselves. By learning and improving together - as part of a global learning community - we create much richer and more sustainable opportunities for rigorous transformation than can be provided by any one of our academies alone.

Our Vision:

Our vision is for our trust to be a learning organisation in the truest sense. At the heart of our vision for education is a self-improving school-led system which has the best evidence-led practice and in which every child fulfils their potential. This is a learning community in which:

- our leaders are driven by moral purpose. They are outwards focused and not afraid to take risks to achieve system transformation. The focus of policy is on continually improving the quality of teaching.
- our teachers strive to be outstanding. They work across organisational boundaries to promote a collective sharing of knowledge, skills, expertise and experience in order to deepen pupil learning.
- the individual talents and strengths of our pupils are recognised and nurtured. A passion and curiosity for learning is sustained in every child from the moment they join us. A CELT pupil leaves our family of academies with a purpose, and the confidence to fulfil that purpose.
- our parents are engaged in our learning community and actively work in partnership with us to raise the level of attainment and aspiration of every child.

The Trust wants the children and young people to be happy, healthy and well-educated human beings, well prepared for the next phase of their education, and capable of enriching and improving their communities.

Staff are among the finest in the country and CELT is proud to empower them through professional growth, support and opportunity.

The creation of CELT has enabled its academies to share resources and create efficiencies in a self-improving, school-led system.

CELT is wholly committed to working in close partnership with other MATs, Teaching Schools, Academies and Schools, and is determined to use its talent, expertise and capacity to improve life chances for children.

CELT is a collaborative family of academies: each academy retains its unique, local identity, sharing collective strengths and responsibilities across the Trust. By working together, the Trust is able to respond to the unique challenges and opportunities of 21st century living ensuring that the children and young people benefit from the expertise, care and learning environments of which CELT is rightly proud.

Aims and purposes:

- to build on the successes of all academies to create an innovative and exciting educational provision with a family centred ethos in which young people of different ages and generations learn from and support each other;
- to create an outstanding and vibrant approach to teaching and learning across all year groups;

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Trustees' Report for the Year Ended 31 August 2020 (continued)

- to foster a culture of high aspiration and success for all, with equality and inclusion at its heart, so that no child is left behind or prevented from fulfilling their potential: particular attention will be paid to students who are most vulnerable, especially in our rural/ coastal communities;
- to sustain outstanding attainment and progress for every learner in order to raise standards from KS2 - Post 16, so that all students make increased and more rapid progress, thus avoiding performance dips and gaps;
- to provide challenge and support with bespoke provision to enable students to move from dependence to independence, and increased autonomy and mastery over their own learning;
- to design a holistic, world class curriculum focused on raising aspiration and developing skills for the 21st Century;
- to extend the “educational family” ethos of both academies in which senior students mix freely with younger pupils, acting as leaders, mentors, champions, role modelling success so that younger students become aspirational and confident about their futures;
- our model is based on a “schools within schools” structure with each phase of education building successively and progressively on the last.

Strategic Plan:

Getting the right people in the right seats on the bus

- identifying skills (and skills gaps) across our trust and our family of academies through a trust-wide skills audit.
- building staffing structures at multi-academy trust level as well as individual academy level.
- growing and develop our next middle and senior leaders by deploying them across a group of academies, with the expectation of movement between academies within the trust.
- creating a culture, systems and processes that promote ongoing development and progression of both individuals and the organisation.
- establishing a programme for continuous professional development involving staff across the trust.

Accountability framework

- the vision and set of values which holds us to account.
- our model for school improvement which is both systematic and consistent across our trust.
- a curriculum which is fit for purpose both academically and financially.
- a Scheme of Delegation which enables responsibility to sit with those who are accountable.

Driving future thinking

- our CELT Strategic Improvement Plan is designed to drive the development of our organisation over the next five years. It represents the core of our drive to raise standards across our family of academies.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

CELT is clear on its strategic aims for 2020-21, which will see all staff working together to achieve the best outcomes for all our children, irrespective of their starting points and irrespective of being in a global pandemic.

Our strategic aims are:

- to keep all staff and pupils safe during Covid-19 by adhering to the protocols and recommendations set out by the Government, the DfE and PHE and fully implemented and updated in our academies.
- to promote a safe and nurturing environment in our academies where pupils and staff feel able to discuss their mental health and where we have sufficiently trained and experienced staff and pupil mentors to provide the assistance required or to signpost appropriately.
- that all staff across the Trust will have a child-centred and coordinated approach to safeguarding and will work in accordance with the statutory guidance for schools and colleges outlined in 'Keeping children safe in education', September 2020.
- we will promote inclusivity by aiming to ensure all pupils in our care complete their programmes of study in a setting that is in the best interests of the pupil. We will not support any off rolling of pupils and will ensure that permanent exclusion is only used as a last resort in all of our academies.
- we will ensure continual academic progress in all our academies, across the whole curriculum and in all subjects with a particular focus on core subjects, English, Maths and Science, pupil premium and boys.
- we will continue to develop our school improvement model, utilising the key strengths in each academy and the wider Trust to ensure that our pupils make academic and personal progress and that all staff receive effective CPD to support and develop this. Our CPD focus will be based on 'Closing the Gap', a research-based Trust initiative working with the University of Bolton and the EEF.
- we will develop, implement and evaluate robust systems to monitor and track the performance of all our academies within a clear staff accountability framework, underpinned by a culture of continuous improvement and celebration of success.
- as part of our CPD we will develop a Trust talent management plan helping us to develop and recruit the finest workforce.
- we will use our successful Free School bid to accommodate the significant growth in the Newquay population and continue to work on delivering the Free School to open in September 2021.
- we will continue to develop outstanding facilities across all sites through the creation of a single Capital Estates Strategy across the Trust, including strategies to generate income.
- we aim to secure balanced budgets in all academies with long-term sustainable budget plans, to secure greater economies of scale, greater financial efficiency through joint planning and procurement. We will continue to build strong and financially sound central teams to serve and support the needs of all our academies and to effectively manage Trust risks.
- that all CELT pupils will learn in a school judged by Ofsted to be, at least, Good.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Even with the added complications and extra burdens created by the Covid-19 pandemic, we believe 2020/21 will be another exciting year for CELT as we seek to consolidate the education landscape of mid-Cornwall. The formation of CELT in November 2019 has already started to provide unique opportunities for advancing pupil progress and achievement, collaboration and staff development. CELT will continue to work with two Teaching Schools to further enhance our ability to be a high performing Trust.

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In accordance with the Trust's strategic goals the Board of Trustees aims to provide an environment to ensure continual academic progress in all academies through ensuring that every child has opportunity to make exceptional progress, in every lesson, every day. At the same time the Trust will look to provide a broad and balanced curriculum giving all children an extensive and inclusive educational experience. The Trust will also support staff in offering a range of quality enrichment activities for the children and further make available facilities across all sites, outside of normal school use, for wider community engagement and benefit.

Engagement with employees and engagement with suppliers

Please refer to the strategic report section 172 statement where this has been discussed further under the headings:

- b) The interest of company's employees
- c) The need to foster the company's business relationships with suppliers, customers and others.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Achievements and performance

In the year 2019-2020 Cornwall Education Learning Trust has:

- maintained a full educational delivery for all students in all schools throughout the Covid-19 pandemic lockdown. This included:
 - o A range of remote learning and on-site delivery options
 - o New IT equipment for families meeting the deprivation factors
 - o Food care packages/vouchers were also provided to those families entitled to free school meals, or those identified as particularly high-risk.
- received approval from the RSC to formally merge Peninsula Learning Trust (PLT) and Newquay Education Trust (NET) to form a new Trust (Cornwall Education Learning Trust - CELT); This was achieved on the 1st November 2019;
- put in place and developed a highly experienced and well qualified Board of Trustees;
- continued to work with the Kernow Teaching School Alliance and Peninsula Teaching School to establish very successful CPD and ITT programmes;
- finished building a new 24 class education block with Hall and Activity Studio (named The Quay) at Newquay Tretherras funded via the ESFA's PSBP2 grant funding and commenced demolition of the 1950's block;
- continued work with the DfE Free School Team on finalising plans for a new Free School for Newquay town with a planned opening date of September 2021;
- received approval from the RSC for the sponsorship of Poltair School and its merger into CELT in the autumn term 2019;
- trained all staff in Safeguarding/ Prevent/ County Lines/ FGM/CSE and managing Critical Incidents;
- continued to develop central services teams, including the appointment of a Chief Operating Officer, a Finance Manager, an IS Manager and a Deputy Trust Lead;
- further development of central CELT-wide policies;
- held a range of Trust-wide staff, governor and Trustees training days/sessions;
- recruited successfully to all our academies for September 2020.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Other KPIs

Other financial KPI's

Cornwall Education Learning Trust undertakes benchmarking on an annual basis. Due to the current time lag of the national comparison data the analysis below is based on 2018-19 information, and is based on individual schools rather than the Trust as a whole. As and when new data is available the exercise will be completed again to assess the Trust against national comparators. During 2019/20 the Trust accessed the school efficiency metric tool kit. This highlighted some issues, however again this information was for 2018/19 only and action was already in place. For 2018/19 benchmarking data will be shared for the following measures:

Area of benchmarking	From	To
Teaching staff as a percentage of total expenditure	48.6%	59.6%
Senior leaders as a percentage of workforce	3.8%	15.0%
Education support staff as a percentage of total expenditure	9.3%	22.9%
Average teacher cost	£43,481	£53,682

- Income per pupil - our schools range from £3,650 per pupil to £5,755 per pupil

We are required to provide payment reporting data to the Government.

For the period September 2019 to February 2020:

Payment period – September 2019 to February 2020	2019/20
Payments made within 30 days	96%
Payments made within 31 – 60 days	3%
Payments made within 61 – 90 days	1%
Average period to pay invoices	12 days
Payment period – March 2020 to August 2020	2019/20
Payments made within 30 days	93%
Payments made within 31 – 60 days	5%
Payments made within 61 – 90 days	2%
Average period to pay invoices	11 days

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Going concern

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

The Board of Trustees within CELT appreciates that funding levels from central government are likely to remain challenging at a time when costs are continuing to rise. This is further complicated due to issues created by the Covid-19 pandemic, although the Trust is carefully managing these additional costs and risks to ensure this will not have a long-term impact on the financial viability of the Trust.

Despite the disruption caused in the Spring due to the Coronavirus breakout, the Trust has reported a positive cash-flow for the financial year and retains a cash balance at the year end of £7,453,313. Furthermore, the Trust is budgeting a surplus or a small deficit for the next three financial years. Any deficit is easily covered by current cash reserves. They also have a secured funding stream from the ESFA.

Overall, as a result, even with the efficiencies that a merger will provide over time, prudent financial management will continue to be required in order to ensure the long-term sustainability of high quality educational provision across CELT.

Financial review

Original budget projections for Cornwall Education Learning Trust indicated an in-year deficit for the 2019/20 academic year and further in year deficits in following years, which, without intervention, could become progressively worse. The impact of the Covid-19 pandemic created a number of additional cost pressures in the 2019/20 academic year, however, this was partly offset by other cost savings (for example, reduced energy and curriculum materials & equipment costs).

Most of the Academy's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities. This funding has been secured or future academic years.

During the year the Trust received £40,800,686 in donated net assets from the local authority and other MATs. Excluding these donations the Trust had an overall negative net movement on funds of £1,880,986 (2019: £1,384,526). As a result of the transfers the Academy Trust balance sheet expanded and at 31 August 2020 held fund balances of £69,350,637 (2019: £30,430,937), comprising of £922,933 (2019: £162,646) of restricted general funds, £3,410,800 (2019: £2,257,240) of unrestricted funds and £79,496,904 (2019: £32,995,051) of restricted fixed asset funds.

In accordance with the Academy Trust's funding agreement, the principal source of general funding with which to finance the operations of the Academy Trust is the Department for Education.

The pension fund is in a deficit with a closing balance of (£14,480,000) (2019: (£4,984,000)).

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Fund balances have increased across the board this year mainly due to the merger with Newquay Education Trust and addition of Poltair School. Both income and expenditure has drastically increased due to the number of schools (12 2019:8) that are now within the trust including three further secondary schools compared to last year.

There have been a range of financial risks from Covid-19 due to cancelled trips but these have generally been resolved by supplier refunds and insurance cover, although this will need to be carefully monitored moving forward with the ongoing impact of the pandemic and wider limitations being introduced by insurers. Other areas affected by Covid-19 has been the loss of lettings income e.g. before and after school clubs, community lettings - including sports and other facilities, and sales to students (albeit this normally isn't especially material), etc. Fortunately, the negative impact of these reduced income streams has not been as adverse as previously anticipated due to cost reductions elsewhere within school sites, but careful monitoring must be maintained moving forward.

It has been a clear strategic decision by the CELT Board to utilise surplus levels of reserve balances to invest in the infrastructure of sites and supporting other school improvement priorities. However, as part of the budget planning process for the 2019/20 academic year, the Board has agreed that all budgets in future were to be set within in-year funding balances and full justification for levels above this had to be given based on the need for one-off non-recurrent expenditure only e.g. capital investment proposals.

The infrastructure improvements in 2019/20 include:

Brannel School

- new boiler to the main plant room
- the Animal Shelter which is of part of the schools eco patch is installed and is use by the schools.

Mount Charles

- replacement boilers
- in collaboration with St Austell Town Council - temporary extension to the grassed play social areas to the rear of the school utilising the Town Council playing field, together with grounds improvements to the boundary area bordering the playing field.

Newquay Junior

- finalising construction of three modular classrooms and removal of old Elliott's
- finalising fire precautions improvements, including new ceilings and lighting
- finalising new SLT office areas, meetings rooms and staffroom

Newquay Tretherras

- completed the window walling/Music block scheme
- improvements commenced with the DT dust extraction and refurbishment scheme - successful 2019/2020 CIF Bid

Penrice Academy

- replacement of intruder alarm system following a lightning strike.
- new external fencing along the front perimeter of the school, with gated access and intercom system.
- refit two maths classrooms, new ceiling and lighting, carpets and electrics.
- refit Girls and Boys changing rooms
- repairs to canteen roof following damage from a blocked outlet. New channels and external downpipes installed.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Poltair School

- new Air-Con unit installed to the server room
- replacement of old distribution boards
- new fencing to the front and rear of the site
- new boiler and calorifier to the sports hall and repairs to Art block plant room
- new food kiosk
- new roofs to Astro and field storage sheds
- replacement of dust extraction
- redecoration to the school entrance
- works to improve the visibility around the site for a student with visual impairment
- remedial works following water risk assessment
- creation of new office space for Headteacher and Executive Headteacher

St Mewan

- building subsidence and roofing repairs.
- commencement of toilet extension to the EYFS block.

All Sites (including Newquay and St Austell office bases)

- new integrated telephone system

The CELT Board is very cognisant of the pressure that all CELT academies are facing with the considerable gravity on place planning as a result of the substantial demographic growth, especially around Newquay. As a result, the need to ensure facilities are fit for purpose, particularly where over-subscription is becoming a critical factor, providing capacity to meet demand, and all sites are bright and engaging for the benefit of every stakeholder, is of paramount importance.

Investment in sites is also at a time when staffing pressures continue to be acutely significant with further pressures coming to the fore in changes to pay awards, pension contributions and NI rates plus the Apprenticeship Levy and the impact of the Covid-19 pandemic. All academies have consistently committed large sums in employing high-calibre staff to meet the identified improvement priorities and allow flexibility in the structure to give students a broad, exciting and successful educational experience with as much targeted support as possible.

The Trustees joining the CELT Board aim to keep this same ethos but realise that the investment approach will have to continue being closely reviewed in order that staffing structures do not become an excessive burden that threatens the long-term viability of the Trust. In line with the Academies Financial Handbook, School Resource Management advice and the principles of Integrated Curriculum Financial Planning, the aim is to align the staffing budget more closely to national ratios and in doing so ensuring that in year deficits are removed except in exceptional circumstances or where one-off infrastructure investment/improvements are deemed essential.

Reserves policy

In accordance with CELT's Financial Regulations & Scheme of Delegation reserves are reviewed at least annually - this normally being at the budget setting time i.e. June, although in practice close observation is kept on reserve and other balances throughout the year. General reserves of 5% of annual grant funding income is to be held as a minimum as agreed by the Trustees.

Movement to or from one or more specific reserves must be approved by the Finance & Audit Committee.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

As at 31 August 2020, Cornwall Education Learning Trust held £3,410,800 in free, unrestricted reserves. The Board of Trustees is regularly updated on a wide range of site development options. The Board wishes to establish modern, fit for purpose, 21st Century educational facilities that will enhance the educational experience for all students across all sites. As in previous years, reserve levels are being carefully monitored as indications suggest that these will be needed to soften the dual impact of potential low funding and ongoing increasing costs. Previous usage of reserves to supplement high cost one off capital schemes may not be easily viable in forthcoming years but this will be subject to many critical factors.

Investment policy

In accordance with Cornwall Education Learning Trust's Financial Regulations & Scheme of Delegation the Trust Lead does not have authority to invest any funds except with express approval of the Board of Trustees through the Finance and Audit Committee and in accordance with the Academies Financial Handbook.

The Trust Lead will, on behalf of the Board of Trustees, and through the Chief Operations Officer operate bank accounts in which official monies are held, in accordance with agreed arrangements.

In 2019/20 a short-term investment, previously committed under the governance of Peninsula Learning Trust, reached its investment term and was transferred back into the main Trust's bank account. No further short or long-term investment decisions were made by the Trust during this period. This was partly affected by the poor investment terms available and simply, during the initial transition period, a safety first approach until the merger of CELT has fully settled.

Principal risks and uncertainties

Operational risks are managed and controlled through a number of mechanisms including clear induction and training programmes, detailed policies and procedural guidelines, effective strategic leadership at executive level, regular meetings of staff and Trustees, and purchase of professional services as required. Regular monitoring at different levels provides systems for early warnings and effective options for remedial action.

Compliance risks are managed through a number of areas including continual training and development e.g. using the iHasco system, attendance at meetings and seminars, purchase of professional services such as legal, HR, property and finance etc, review and dissemination of guidance as appropriate, and registration with professional bodies.

The added risk to normal years is now the Covid-19 pandemic and the additional burden of unknown costs that could appear e.g. large staff sickness/absence cover costs or ongoing costs of extra PPE and cleaning costs etc. The Trust will need to keep a clear over-sight of all costs and commitments across all sites to ensure that a sudden surge in additional costs cannot be contained within existing resource levels. Commitment to costly trips and visits will also need to be carefully assessed as routes to mitigate any financial risk may be significantly reduced as trip providers and insurance cover suppliers tighten rules as to how and when costs may be recovered if trips are adversely affected as a result of this or any other future pandemics.

It is clear that maintaining a robust Reserves policy is essential in order to protect the Trust from these increased risks.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Fundraising

Beyond standard grant funding bid initiatives approved by the Trustees, the majority of the Trust's effort regarding fundraising is undertaken via the various school PTAs. Any costs associated with these activities sit outside the remit of the Trust's operational accounts although profits generated by each PTA are donated to the relevant school sites and treated as restricted income in the accounts. Other charitable fund raising is undertaken via various staff and other student groups within individual schools as part of each school's wider community and social engagement. This fund raising is for other external charitable bodies and monies generated are simply transferred to the relevant body.

The Trust does not use or engage with any commercial fundraisers nor uses any inappropriate techniques to pressurise vulnerable people or the wider public to support fund raising activities. There have been no fundraising complaints.

Plans for future periods

Details of some specific risks and uncertainties facing the Trust over the coming years include:

Covid-19 Pandemic. This has already been mentioned earlier in the report but an immediate risk that the Trust will immediately focus on is the added risk, compared to normal years, of the Covid-19 pandemic and the additional burden of unknown costs or loss of self-generated income e.g. lettings. The Trust will keep a clear over-sight of all costs and commitments across all sites to ensure that a sudden surge in additional costs can be contained within existing resource levels.

• **sponsorship of Poltair School by CELT from 1 September 2020.** Poltair School has a number of challenges including five 'requires improvement' judgements from Ofsted, educational, financial and infrastructure, each part involving complex interaction with the other so each cannot be considered in isolation. An Executive Headteacher for Penrice and Poltair and a new Head of School for Poltair have been appointed and additional funding has been received from the ESFA to assist with infrastructure issues. In order to improve educational standards, the school is receiving support from key personnel at Penrice (an outstanding school) and recruited additional staff to develop the teaching of English in the school. The Trust has appointed a Trust SENDCo who currently spends three days a week at Poltair to work alongside the existing team developing best practice and process for the identification and support of SEND students. A strong finance team and estates team are now in place. Over the summer holidays a complete IT infrastructure refit took place including the installation of a new telephone system. A staff structure review has started to ensure a sustainable staffing profile for the future.

• **Newquay Sports & Community Centre.** Newquay Sports & Community Centre (NSCC) is situated in the heart of Newquay, directly adjacent, and abutting to Newquay Tretherras School. The Centre has been an essential teaching resource for Newquay Tretherras School for some 50 years. On the 1st September 2019, and following extensive due diligence, CELT accepted an offer from Cornwall Council for a "Licence to Occupy" the site. Since accepting the licence to occupy, the financial responsibility for the Centre has fallen to CELT. To supplement income to the Centre, the Bar & Restaurant areas within the facility were outsourced to a third-party last year, by way of a Service Level Agreement. However, like all leisure services in the County, the Centre has been closed for much of 2020, due to national Covid-19 lockdowns, which have impacted adversely on the current financial position and financial projections moving into 2021. The current "Licence to Occupy" arrangement is non-binding, unlike a Lease, and therefore CELT is within its rights to terminate the arrangement with Cornwall Council. In order to balance the financial risk to CELT against the potential loss of a valuable school resource, CELT and community representatives have begun negotiating with Cornwall Council.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

- **purchase of the Atlantic Centre from Cornwall College.** CELT is currently looking to buy this Centre. A market price has been agreed, solicitors from both sides have agreed terms and we are currently waiting for Cornwall Council to approve the request for the Deed of Covenant and to grant the continuation of rights of way to the Atlantic Centre from the Council run car park. Solicitors from both sides are in dialogue with the County Council's solicitors who are ensuring the request is dealt with in a timely manner. There is no indication that the Cornwall Council will refuse the request.

- **opening of Newquay Primary Academy.** The construction of this free school is fully funded by the Department of Education and is due to open in September 2021 and will provide additional places for pupils who live in Newquay. Newquay will continue to see year on year growth over the next thirty years and the building of NPA will provide much needed school places during this time. We will be a 2-form entry school, opening in September 2021 to YR1 only and then building on this year on year, thus taking seven years to be full operational. This fits in with the Newquay Growth Plan and ensures sufficient pupils to eventually fill the school. It means we can closely budget to ensure viability, appoint staff when needed and we have also managed to receive an 'underwriting' agreement with the LA for the first 3 years should our school numbers be less than anticipated. If for any reason, the opening of the school is delayed, those parents who had sought to enrol their children at the new school will be offered alternative provision in a CELT school temporarily.

- **academic standards across CELT.** It is the strategic aim of CELT to ensure that every pupil in our Trust attends a school which is rated at least 'Good' by Ofsted. Rigorous evaluation of practice, targeted training and monitoring is in place to achieve this and based on the new Ofsted Framework, we are confident that all our schools will be judged at least 'good' at their next inspections. Outcomes for pupils generally continue to rise but we are still concerned about the gap which exists between the outcomes of pupil premium children and non-pupil premium pupils. This year we have launched a sustainable, Trust-wide initiative, 'Closing the Gap'. Buy-in across the Trust is universal and our work to date has already resulted in a formal partnership with Professor David Hopkins and the University of Bolton who will provide the leadership to further up-skill our staff in engaging with all types of learners so that they can achieve their best. Due to the longitudinal matter of our initiative, we have also attracted funding and expertise from the EEF, who will also work with us on a planned programme to further upskill staff at all key stages. The Trust is further looking to appoint a Reading Lead who will work with all CELT schools to ensure that every child can fully access the written curriculum no later than the end of Year 7.

Employment of disabled persons

The Trustees of Cornwall Education Learning Trust are committed to providing equality of opportunity. It is recognised that all members of staff and job applicants have a part to play in achieving this and school management teams will ensure that individuals are aware of their personal responsibility to observe and support the Equal Opportunities Policy.

It is a requirement of the Trust's policy that no member of staff, or prospective member of staff, should receive, promote or express unfair or unlawful treatment or harassment due to age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race (including colour, nationality and ethnic or national origin), religion or belief, sex (gender) or sexual orientation. All staff should have equality of opportunity to training, career development and promotion regardless of these characteristics. This also applies to members of staff who become disabled during the period of their employment.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

Trust and individual academy/school management will seek to identify and act upon any unfair or unlawful discrimination that denies an individual opportunity on any of the criteria. Existing staff and job applicants have the right to complain about unlawful discrimination through the appropriate procedures which are set out in the Complaints/Alleged Breaches section of the policy.

Active steps will be taken to ensure that the policy is implemented and regularly reviewed and the Trust and individual academy/school management will:

- make the best possible use of skills, talents and abilities of all staff; and
- demonstrate commitment to equal opportunities initiatives.

Whilst the emphasis in the policy is on the fair and equal treatment of all staff, the principle of creating an environment which eliminates discrimination applies equally to the treatment of students, Trustees, suppliers and other people who have contact with the Trust.

Description of employee consultation

As part of the Trust's approach to all policies affecting their staff, a full written consultation process is undertaken with staff, including relevant unions, to ensure all have prior opportunity to review, contribute and respond to policies that may affect them and their colleagues prior to formal approval, adoption and publication. Relevant policies that have been reviewed in the past 14 months include Staff Code of Conduct and Staff Attendance.

The section 172 statement on page 21 includes further explanation of the actions taken in respect of the interests of the employees.

Section 172 statement

The Trustees of Cornwall Education Learning Trust consider they have complied with their duties under section 172(1) to act in a way they consider, in good faith, to be most likely to promote the success of the Trust for the benefit of its members as a whole. In order to demonstrate that this duty has been achieved, the following factors have been reflected in the strategic decisions made during the period.

a) The likely consequences of any decision in the long term, for example:

- i. Trustees have considered in depth the strategic development of Cornwall Education Learning Trust (CELT) to ensure the long-term benefits for the schools within the Trust and the wider community;
- ii. Trustees have been mindful of the need for a new primary school for Newquay and have fully supported the proposal to proceed with the Newquay Primary Academy free school project;
- iii. Trustees considered very carefully the opportunity and challenges related to Newquay Sports & Community Centre and decided, after taking all factors into account, that the benefit to students of Newquay and the wider community would be greatly enhanced with the Trust making a firm commitment to manage the centre.
- iv. Trustees request and evaluate annual budgets plus a further two to four years of projected budget plans.

b) The interests of the company's employees:

- i. The interests of the Trust's employees are fully taken into account when considering the opportunities and challenges for CELT;
- ii. As a matter of course the interest of employees are fully considered during the annual budget planning and curriculum planning process, and this is further considered when staff turnover occurs.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

iii. A health and wellbeing strategy is being developed in order to ensure all staff have routes by which their physical and mental health can be supported.

iv. Staff and relevant unions are consulted fully as when changes to terms, conditions or policies are being proposed.

c) The need to foster the company's business relationships with suppliers, customers and others:

i. The Trust monitors its payment practices and is determined to ensure all suppliers are paid within reasonable timescales, normally 30 days as a maximum, and continually looks at ways to improve processes;

ii. The Trust complies with EU procurement requirements and continues to ensure Value for Money is being achieved, however, the need to maintain support for the local supplier network is very important;

iii. The Trust maintains a robust mechanism for ensuring communication with suppliers and customers is open, transparent and efficient, to ensure reliable and unambiguous relationships are maintained.

iv. The use of independent Project Managers is often utilised in order to ensure relationships with new suppliers are fully assessed, and/or when high-value or complex contracts are being awarded and further technical support and guidance is required.

v. Careful consideration has and will continue to be given to robust and effective relationships with historical suppliers and customers to ensure services provided by CELT are fit for purpose;

vi. Due to the size of CELT this allows for further scope to evaluate new effective and efficient business relationships utilising the wider buying power of a larger organisation.

d) The impact of the company's operations on the community and the environment have been evaluated within their operations throughout the accounting period, including:

i. The continual development and strategic vision of CELT;

ii. The free school project;

iii. The Sports & Community Centre project;

iv. Development of a safer routes to school project linked to Newquay's network of cycle and walking paths;

v. Climate Change and developing a Climate and Environment Emergency policy, this is now a clear focus of the Board and a central pillar of future development proposals.

e) The desirability of the company maintaining a reputation for high standards of business conduct:

i. CELT has maintained a very strong Board during the accounting period and this follows on from previous years of robust governance, including half-termly board meetings, half-termly sub-committees (Audit & Finance, Quality Assurance, Staffing & Remuneration, Estates, IT & Climate Emergency), however due to the Covid 19 this year meeting have been kept to a minimum and discussion have taken place via the Chair to ensure robust governance continued;

ii. Full record of meetings maintained in formal minutes;

iii. Appointment of Local Governing Boards at each school to ensure local matters are properly considered, and school improvement and the needs of students and staff are always at the forefront;

iv. Retaining a strong track record in educational performance is critical to the Trust and the journey to ensure all schools are classed as Ofsted 'Good' or better is a continual focus, as defined in the Vision and Aims of the Trust.

f) The need to act fairly as between members and Trustees of the company:

i. All Trustees are invited to participate fully in the active governance of the Trust:

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

- ii. All Members and Trustees are given opportunity to develop their skills and knowledge, both within the Trust itself and/or within the wider network of collaborative efforts of other local Trusts, especially the Kernow Teaching School Alliance and Peninsula Learning School;
- iii. A skills audit of the Board has been completed;
- iv. Chairmanship at the different committee meetings is not limited to one or two individual Directors;
- v. Clearly defined Terms of Reference are annually approved for all committees, including a minimum number of representatives for meetings to be deemed quorate.

Streamlined Energy and Carbon Reporting

Carbon Energy Reporting

Cornwall Education Learning Trust and its schools have been very mindful of the impact on the climate by energy consumed, the level of wasted energy, and equally the cost of basic fuel prices that is negatively impacting on every tightening budgets. Since the merge of Newquay Education Trust and Peninsula Learning Trust in 2019 the Board of Trustees has been prepared to invest in the school estate to help minimise all of these factors. This has also including declaring a climate change emergency and a commitment to move towards being carbon neutral by 2030

This has included:

- Replacement windows and doors with new double glazed units;
- Replacement flat roofs with increased levels of insulation;
- Replacement piping and increased insulation around existing heating distribution systems;
- New heating emitters to replace old inefficient heaters;
- Change of oil fired boilers to more efficient gas fired systems;
- New Building Management System to enable greater localised control of heat zones;
- Installation of photo-voltaic systems to generate own energy;
- Capital funding bids (e.g. PSBP2) that have resulted in major construction of new buildings to replace old and efficient facilities.

Other carbon management/reduction initiatives include:

- Encouraging stakeholders to use recycling options and also to walk or cycle to school;
- COVID-19 has affected how we could manage and reduce carbon during this period.

During the accounting period relevant to this report there are currently two areas of carbon emissions improvement across the estate that are ongoing, this includes the following;

- Replacement cladding and insulation around a teaching block and replacement window walling on a two storey block at the Newquay Tretherras site;
- Plans for the future include a replacement roof with increased insulation at Newquay Junior Academy;
- Replacement large external doors at Brannel School;
- Replacement of an old teaching block housed in a timber clad Elliott building at Newquay Tretherras and refurbished DT block with improved windows and extract systems;
- Replacement of old and poorly insulated pipe work at Penrice Academy;
- Replacement of external doors and windows with an improved thermal rating.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

Strategic Report

UK Greenhouse gas emissions and energy use data for the period 01 September 2019 to 31 August 2020 2020

Energy consumption used to calculate emissions (kWh)	7,003,842
Scope 1 emissions in metric tonnes CO₂e	
Owned transport	11.66
Gas & oil consumption	811.32
Total scope 1	822.98
Scope 2 emissions in metric tonnes CO₂e	
Purchased electricity	612.93
Scope 3 emissions in metric tonnes CO₂e	
Business travel in employee owned vehicles	6.42
Total gross emissions in metric tonnes CO₂e	1442.33
Intensity ratio	
Tonnes CO ₂ e per pupil	0.21

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

Funds held as Custodian Trustee on behalf of others

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28. As of the 31 August 2020 undistributed bursary funding of £47,683 was held on the Trusts balance sheet.

Cornwall Education Learning Trust

Trustees' Report for the Year Ended 31 August 2020 (continued)

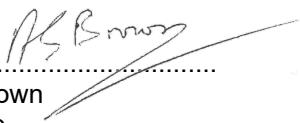
Strategic Report

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, was approved by order of the Governing Body, as the company directors, on ~~..07/01/2021.....~~ and signed on the board's behalf by:


.....
A G Brown
Trustee

Cornwall Education Learning Trust

Governance Statement

Scope of responsibility

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

The Governing Body has delegated the day-to-day responsibility to L Mannall, 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 Cornwall Education Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body 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 Governing Body has formally met 6 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
J E Childs	4	6
A G Brown, Chair (appointed 8 November 2019)	6	6
S M Dixon (appointed 8 November 2019)	5	6
S Dunn (appointed 8 November 2019)	5	6
J Knights	3	6
A S Mann, Vice Chair (appointed 8 November 2019)	3	6
K S Pinnell (appointed 8 November 2019)	3	5
J S Parker (appointed 8 November 2019)	6	6
J C Simeons	5	6
G J Slater	5	6
J Beldon (resigned 22 November 2019)	0	0
M Cooper, Chair (resigned 8 November 2019)	0	0
K M Pearce, Vice Chair (resigned 8 November 2019)	0	0

Cornwall Education Learning Trust

Governance Statement (continued)

The Board of Trustees is able to provide assurance over the suitability of, and compliance with, its financial systems and controls via the following:

All areas of the budget are very closely monitored by the academy's finance team including:

- Chief Operational Manager (COO)
 - Finance Manager
 - Deputy Finance Manager
 - Finance Officers
 - Finance Assistants
 - In accordance with the documented Financial Regulations and Scheme of Delegation separation of duties across budget holders, the leadership and finance teams in terms of authorisation, responsibility and accountability.
- On a monthly basis, via the Board's Committee system or at a full Board of Trustees meeting, the Trustees are involved in reviewing progress against finance and site improvement plan activities. Decisions are made as the plan progresses as to whether financial resources are being used appropriately or whether there is a need to divert funds to target other areas if priorities change.
- Regular financial audits are undertaken by an outside organisation with reports shared with Trustees.
- Department managers and other budget holders receive termly budget reports and are responsible for managing and implementing their budget spending. They use their allocated budget to resource their areas of responsibility according to their individual action plans which are discussed with the COO and Finance Manager.
- Statutory annual audit by the academy's independent accountants (PKF Francis Clark) and reports discussed and signed off by the Board of Trustees.
- The Risk Register is reviewed annually to ensure the broad range of risks are monitored and ensure mitigation arrangements are in place where appropriate.

Governance reviews

The governance structure has been reviewed over the period as part of the due diligence process leading towards the merger with Cornwall Education Learning Trust (CELT) which took place on 1 November 2019. This process was to understand the appropriate skills across the two Trusts from those Trustees willing to stand for selection and evaluate how those relevant skills would meet the necessary breadth of skills and experience needed in the new merged trust of CELT. It was apparent from this process that there was a good synergy between the existing Trustees that fortunately meant that there wasn't any particular skills shortcomings, however, the Board would keep its governance structure under regular review, especially if opportunities came to the fore that could help alleviate:

- an imbalance of gender, currently favouring men;
- a wider ethnic spread;
- any new Trustee that could offer a qualified skill set in accountancy and/or financial management, although a number of existing Trustees have broad skills and experience in this area.

An external review of Governance is scheduled for Spring 2021.

Cornwall Education Learning Trust

Governance Statement (continued)

The Audit Committee is a sub-committee of the main Governing Body. Its purpose is to sit below the main board and review financial assumptions and any other reports relevant to the internal and external audit of the multi academy trust. Due to the coronavirus, all but one of the meeting were cancelled. A full board meeting held on 8th July approved the 2020/21 budget. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
A S Mann	1	1
J C Simeons	1	1

Review of Value for Money

As the Accounting Officer, the Trust Lead has responsibility for ensuring that the multi academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider social 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 available. The accounting officer for the academy trust has delivered improved value for money during the period by:

Improving educational results:

The Trust has a relentless focus on continuous school improvement, whereby all efforts are on maintaining and improving the educational outcomes for all our pupils. Our Strategic Development Plans, focus on the continuous improvement of educational provision and achievement outcomes, set out our priorities and actions for each academic year. The members and Trustees of the Trust are actively involved in the formulation and implementation of these plans. Appropriate resources are deployed to these plans and personnel identified to lead the actions within agreed timescales.

Aligned to the day to day working of the academies, where pupil progress is a constant focus, is a rigorous Assessment and Pupil Progress system based on setting aspirational targets:

- on a half-termly basis attainment and progress data is reviewed and analysed by teachers, year groups, Senior Leadership and a School Improvement Board. This, together with leadership judgements of the quality of teaching and learning, enables staff and Trustees to have a whole Trust view of achievement (attainment and progress) for all pupils and population groups that the Trust tracks and monitors.
- data analysis meetings are held with curriculum and year teams regularly to discuss the on-going attainment and progress of each pupil and relevant groups, including Pupil Premium and SEND pupils/students.
- we identify pupils who need specific interventions such as enrichment or support through long, medium and short-term processes and strategic planning.
- leadership teams meet regularly to review approaches to teaching and learning, subject knowledge and related CPD activities, as well as intervention and enrichment to ensure there is continuity of expectation and provision

Cornwall Education Learning Trust

Governance Statement (continued)

- the senior leaders responsible for assessment monitor interventions and have on-going professional dialogues with staff and pupils involved in intervention to ensure each child's needs are being met.

The Pupil Premium Evaluation Reports published on our websites are a good example of how we understand our accountability to the members of our community and evaluate value for money against all of our intervention strategies and then act accordingly.

Targeted investment & New initiatives

- the Trust, through detailed planning and monitoring by site SLTs, Trust Executive, and approval by the Trustees, keep staffing structures under constant review and deploy staff efficiently to support an enhanced curriculum.
- the Trust is always looking for ways to improve all aspects of our provision and ensure good value for money. A number of services are now in place offering multi-site support in the area of IS, HR, Data, Premises, Health & Safety and Finance.
- site improvements are strategically essential in response to modernisation, structural maintenance and capacity issues with a range of works completed or currently under contract. Other major development works are being considered on the basis of SCA funding support, by reserves. We have been successful with Priority Schools Building Programme (Round 2) and Free School bids.

Focus on pupils

- the Trust has managed differing needs of pupils through the use of Learning Support teams for those requiring one to one, small group, or cross-team support. Pupil Premium Mentors, Parent Support Advisers, Education Welfare Officers and other support staff monitor and report on the progress and attendance of vulnerable students regularly.
- breakfast clubs are offered at most sites to enable children to start the day feeling well fed before learning commences and an opportunity to engage socially with other students and staff.
- the Trust runs summer schools at some sites.
- the Trust has also run transitional events for year 5 and 6 pupils from all the feeder primary locations. This enables pupils to integrate with peers from outside of their own friendship groups.
- curriculum departments run numerous after-school exam study and catch-up/refresher sessions to prepare students for the challenge of public examinations.
- the Trust offers an extensive range of after school activities at all sites including outdoor learning activities that provide a quality enrichment programme.

Collaboration (Economies of scale)

- CELT is a lead partner within the Kernow Teaching School Alliance and the Peninsula Teaching School. The Trust Leads/CEOs/Principals/Headteachers and senior leaders meet regularly to discuss school improvement issues. The group shares research findings on best educational practice. They also share practice from within each of the academies and evaluate the effectiveness of this in terms of cost and attainment.
- the KTSA and PTS also plans and undertakes shared staff training and CPD.
- the academies within the KTSA and PTS ensure a shared understanding of standards.

Cornwall Education Learning Trust

Governance Statement (continued)

- CELT has established a robust School Improvement programme with schools and Trusts across Cornwall. Penrice Academy, part of CELT, is the lead school in the Peninsula Teaching School Partnership. The aim of the Teaching School is to be inclusive, develop new leaders, provide high levels of school to school support, and develop a highly effective CPD model year on year.
- with the direct involvement and leadership of the relevant back-office leads and their teams, the Trusts have worked to negotiate and procure service contracts across the group. Such economies of scale are now providing value for money benefits both in terms of quality of service and in cost management.

Quantifying improvements

- we rigorously evaluate the effectiveness and impact of training, developments in teaching and learning and interventions through an analysis of data, attendance and impact. The Academies in the Trust continually strive to achieve the best at all times and as a minimum at least in line with local and national averages.

Financial governance and oversight

- the Trustees actively advise and challenge financial activities at half-termly scheduled Board meetings and receive budget statements and reports. Trustees are therefore able to monitor and scrutinise the performance of the Trust with respect to budget performance and in so doing ensure that the Trust effectively manages spending. This further enables the Trust to achieve optimum value whilst providing the best learning opportunities and curriculum provision.
- in accordance with Academies Financial Handbook and their own Financial Regulations and Scheme of Delegation the Trustees and Trust leadership will apply the principles of best value when making decisions about: the allocation of resources to best promote the aims and values of the Trust, the targeting of resources to best improve standards and the quality of provision and the use of resources to best support the various educational needs of all pupils.

Benchmarking

- the Trust uses national benchmarking data to compare costs against similar academies (such as the Kreston Report and the DfE CFR benchmarking website) plus has undertaken a year on year analysis of the Trust's own financial performance.
- Integrated Curriculum Financial Planning is now a tool being used to help guide more detailed analysis and investigation of cost areas that appear out of sync with national indicators.
- procurement benchmarking is also a key tool in ensuring vfm and, in line with the Trustees' Financial Regulations and Scheme of Delegation, tenders or quotes are obtained from a range of suppliers before purchasing decisions are made.

Better purchasing - Fitness for purpose

Cornwall Education Learning Trust

Governance Statement (continued)

- the Trust has used property specialists to assist in a range of buildings and sites improvements including:
 - Condition Improvement Fund (CIF) works through tendered contracts and robust project management.
 - managing property compliance contracts approved for a period of 2 years based on quotes submitted by a range of specialist contractors.
 - joint procurement with Kernow Learning for Cleaning Contract for Newquay Tretherras and Newquay Junior Academy.
 - procurement of external catering providers for a range of schools within the Trust.
 - finance and premises managers annually review all the Service Level Agreements, either purchased via the council or externally, to ensure value for money.
 - options appraisal: We actively look at the options available when purchasing goods and services. This is especially relevant for high-value procurement e.g. capital works relating to ICT infrastructure improvements and the site development refurbishments.
 - in-contract periodic reviews are also completed to ensure service quality is meeting specification levels.

Better income generation

- the Chief Operating Officer and other associated estates managers have a remit to generate additional income for the academies within the Trust e.g. the use of sites for external lettings.
- the Chief Operating Officer and other finance and business/enterprise managers have a remit to explore and apply for grant opportunities wherever they may arise as long as they meet requirements of the Academies Financial Handbook, Funding Agreements and Articles of Association, and Trust financial regulations.
- collaboration with local Parent & Teacher Associations with the aim to raise funds for school-based investment.

Reviewing controls and managing risks

All areas of the budget are very closely monitored by the Trust's finance team including:

- o Chief Operating Officer
- o Assistant Chief Operating Officer
- o Finance Manager, Finance Officers, and Finance Assistant

Plus other budget management by:

- o Chief Information Officer
- o Premises Managers
- o other curriculum budget holders

- separation of duties across budget holders, the leadership and finance teams in terms of authorisation, responsibility and accountability.

Cornwall Education Learning Trust

Governance Statement (continued)

- half termly, Trustees are involved in reviewing progress against our finance and site improvement plan activities. Decisions will be made as the plan progresses as to whether financial resources are being used appropriately or whether there is a need to divert funds to target other areas if priorities change.
- department managers and other budget holders receive regular budget reports and are responsible for managing and implementing their budget spending.
- financial assurance is undertaken by an external company with reports shared with Trustees.

Lessons learned:

Over the past few years we have learned that with greater autonomy over our finances and assets we have been able to achieve excellent value for money. This is evidenced in many of the examples within this report.

- increased collaboration with partner academies:
 - o a greater focus on school improvement and thereby outcomes for pupils in our Trust as well as in our partner schools.
 - o joint work at Business Manager level offering greater economies of scale.
- collaboration with the private sector to maintain and where possible improve the quality of grant applications (primarily CIF) that will attract funding levels to assist the strategic site development plans.
- careful review and challenge of pricing proposals and, where necessary, value engineering of projects to ensure schemes come in within funding limits.
- proactive communication with the ESFA to justify and receive approval for delayed projects where capacity limitations of contractors result in inefficient pricing models.
- forensic evaluation of all spending proposals should be undertaken to try and maximise value for money.
- a clear strategic plan is essential to prioritise investment and reduce potential areas of poor spending.

The Purpose of the System of Internal Control

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

Cornwall Education Learning Trust

Governance Statement (continued)

Capacity to Handle Risk

The Governing Body has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

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

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

The Governing Body has decided:

The role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. Cornwall Council were instructed to undertake this role in the year; one annual visit was undertaken in the year due to the merger and COVID. In particular the checks carried out in the current period include:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations

When a visit is undertaken, the reports to the Governing Body, through the finance committee on the operation of the systems of control and on the discharge of the Governing Body' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Internal Auditor to date.

Cornwall Education Learning Trust

Governance Statement (continued)

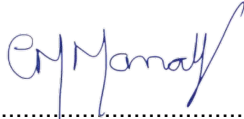
Review of Effectiveness

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

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on ...07/01/2021... and signed on its behalf by:



.....
L Mannall
Accounting officer
Chief Executive Officer



.....
A G Brown
Trustee

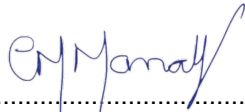
Cornwall Education Learning Trust

Statement of Regularity, Propriety and Compliance

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

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

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



.....
L Mannall
Accounting officer

Date: ...07/01/2021.....

Cornwall Education Learning Trust

Statement of Trustees' Responsibilities

The Trustees (who are also directors of Cornwall Education Learning Trust 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:

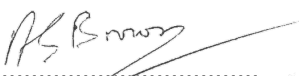
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 Governing Body on ...07/01/2021... and signed on its behalf by:


.....
A G Brown
Trustee

Cornwall Education Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Cornwall Education Learning Trust

Opinion

We have audited the financial statements of Cornwall Education Learning Trust (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

Cornwall Education Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Cornwall Education Learning Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or Trustees' Report.

We have nothing to report in respect of the following matters where 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.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 36], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's 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 auditor's 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.

Cornwall Education Learning Trust

Independent Auditor's Report on the Financial Statements to the Members of Cornwall Education Learning Trust (continued)

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 auditor's report.

Use of our report

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



Duncan Leslie (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date: 12/01/2021

Cornwall Education Learning Trust

Independent Reporting Accountant's Assurance Report on Regularity to Cornwall Education Learning Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 16 April 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cornwall Education Learning Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Cornwall Education Learning Trust's Accounting Officer and the reporting Accountant

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

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures;
- Evaluation of the system of internal controls for authorisation and approval;
- Performing substantive tests on relevant transactions.

Cornwall Education Learning Trust

Independent Reporting Accountant's Assurance Report on Regularity to Cornwall Education Learning Trust and the Education and Skills Funding Agency (continued)

Conclusion

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



Duncan Leslie
PKF Francis Clark, Chartered Accountants

North Quay House
Sutton Harbour
Plymouth
PL4 0RA

Date:.....12/01/2021.....

Cornwall Education Learning Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants					
	2	59,244	47,703	2,225,897	2,332,844
Transfer from local authority and other MAT's					
		1,899,995	(6,950,811)	45,851,502	40,800,686
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations					
	3	644,965	33,648,784	-	34,293,749
Teaching schools					
		-	40,000	-	40,000
Other trading activities					
	4	646,449	-	-	646,449
Investments					
	5	12,882	-	-	12,882
Total					
		<u>3,263,535</u>	<u>26,785,676</u>	<u>48,077,399</u>	<u>78,126,610</u>
Expenditure on:					
Raising funds					
	6	292,366	-	-	292,366
<i>Charitable activities:</i>					
Academy trust educational operations					
	7	324,321	36,017,196	1,899,584	38,241,101
Teaching schools					
	30	48,443	40,000	-	88,443
Total					
		<u>665,130</u>	<u>36,057,196</u>	<u>1,899,584</u>	<u>38,621,910</u>
Net income/(expenditure)					
		2,598,405	(9,271,520)	46,177,815	39,504,700
Transfers between funds					
		(1,444,845)	1,120,807	324,038	-
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes					
	26	-	(585,000)	-	(585,000)
Net movement in funds/(deficit)					
		1,153,560	(8,735,713)	46,501,853	38,919,700
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019					
		<u>2,257,240</u>	<u>(4,821,354)</u>	<u>32,995,051</u>	<u>30,430,937</u>
Total funds/(deficit) carried forward at 31 August 2020					
		<u><u>3,410,800</u></u>	<u><u>(13,557,067)</u></u>	<u><u>79,496,904</u></u>	<u><u>69,350,637</u></u>

Cornwall Education Learning Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

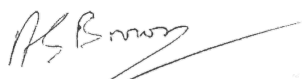
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2018/19 £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	68,677	79,845	1,356,935	1,505,457
<i>Charitable activities:</i>					
Funding for the Academy Trust's educational operations	3	807,215	15,443,578	-	16,250,793
Teaching schools		3,570	40,000	-	43,570
Other trading activities	4	29,020	-	-	29,020
Investments	5	14,502	-	-	14,502
Total		922,984	15,563,423	1,356,935	17,843,342
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	658,240	16,013,541	877,823	17,549,604
Teaching schools		-	43,264	-	43,264
Total		658,240	16,056,805	877,823	17,592,868
Net income/(expenditure)		264,744	(493,382)	479,112	250,474
Transfers between funds		(317,880)	132,885	184,995	-
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes	26	-	(1,635,000)	-	(1,635,000)
Net movement in (deficit)/funds		(53,136)	(1,995,497)	664,107	(1,384,526)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2018		2,310,376	(2,825,857)	32,330,944	31,815,463
Total funds/(deficit) carried forward at 31 August 2019		2,257,240	(4,821,354)	32,995,051	30,430,937

Cornwall Education Learning Trust

(Registration number: 07565242)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	77,579,256	32,198,139
Current assets			
Debtors	13	1,418,169	885,796
Cash at bank and in hand		<u>7,453,313</u>	<u>3,981,330</u>
		8,871,482	4,867,126
Creditors: Amounts falling due within one year	14	<u>(2,505,333)</u>	<u>(1,650,328)</u>
Net current assets		<u>6,366,149</u>	<u>3,216,798</u>
Total assets less current liabilities		83,945,405	35,414,937
Creditors: Amounts falling due after more than one year	15	<u>(114,768)</u>	-
Net assets excluding pension liability		83,830,637	35,414,937
Defined benefit pension scheme liability	26	<u>(14,480,000)</u>	<u>(4,984,000)</u>
Total assets		<u><u>69,350,637</u></u>	<u><u>30,430,937</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		922,933	162,646
Restricted fixed asset fund		79,496,904	32,995,051
Restricted pension fund		<u>(14,480,000)</u>	<u>(4,984,000)</u>
		65,939,837	28,173,697
Unrestricted funds			
Unrestricted general fund		<u>3,410,800</u>	<u>2,257,240</u>
Total funds		<u><u>69,350,637</u></u>	<u><u>30,430,937</u></u>

The financial statements on pages 42 to 80 were approved by the Trustees, and authorised for issue on ~~07/01/2021~~ and signed on their behalf by:


.....
A G Brown
Trustee

Cornwall Education Learning Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by operating activities	20	2,545,330	72,679
Cash flows from investing activities	22	964,188	(237,041)
Cash flows from financing activities	21	<u>(37,535)</u>	<u>4,457</u>
Change in cash and cash equivalents in the year		3,471,983	(159,905)
Cash and cash equivalents at 1 September		<u>3,981,330</u>	<u>4,141,235</u>
Cash and cash equivalents at 31 August	23	<u><u>7,453,313</u></u>	<u><u>3,981,330</u></u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

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

Basis of preparation

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

Cornwall Education Learning Trust meets the definition of a public benefit entity under FRS 102.

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 company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Please refer to going concern section in trustees report for further detail.

Income

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

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Grants

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. 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 period it is receivable and to the extent the academy trust has provided the goods or services.

Transfer on conversion

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.

Transfer of existing academies into the trust

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the Transfer of an existing academy into the trust within Donations and capital grant income.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

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, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Freehold buildings	2% straight line
Leasehold land	Not depreciated
Leasehold buildings	2% straight line
Furniture and equipment	25% straight line
Computer equipment	25% straight line
Motor vehicles	25% straight line
Assets under construction	Not depreciated

Liabilities

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

Provisions

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

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

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis 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 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14. 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.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore 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 scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

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

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

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Agency accounting

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Other voluntary income					
Capital grants	-	3,800	2,215,615	2,219,415	1,356,935
Other donations	59,244	43,903	10,282	113,429	148,522
	<u>59,244</u>	<u>47,703</u>	<u>2,225,897</u>	<u>2,332,844</u>	<u>1,505,457</u>

The income from donations and capital grants was £2,332,844 (2019: £1,505,457) of which £59,245 was unrestricted (2019: £68,677), £47,703 restricted (2019: £79,845) and £2,225,897 restricted fixed assets (2019: £1,356,935).

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2019/20 £	Total 2018/19 £
DfE/ESFA revenue grants				
General Annual Grant	-	29,182,074	29,182,074	13,748,687
Other DfE Group grant	-	3,632,373	3,632,373	1,435,618
	<u>-</u>	<u>32,814,447</u>	<u>32,814,447</u>	<u>15,184,305</u>
Other government grants				
Other Government grants	-	825,272	825,272	255,114
Non-government grants and other income				
Catering	338,474	-	338,474	94,760
Other income	164,780	9,065	173,845	572,329
Nursery	141,711	-	141,711	144,285
	<u>644,965</u>	<u>9,065</u>	<u>654,030</u>	<u>811,374</u>
Total grants	<u>644,965</u>	<u>33,648,784</u>	<u>34,293,749</u>	<u>16,250,793</u>

The funding for educational operations was £34,293,749 (2019: £16,250,793) of which £644,965 was unrestricted (2019: £807,215), £33,648,784 restricted (2019: £15,443,578) and £Nil restricted fixed assets (2019: £Nil).

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	119,772	119,772	26,100
Non pupil catering income	11,238	11,238	-
School shop sales	19,520	19,520	-
Other income	347,283	347,283	2,920
Newquay Sports & Community Centre	148,636	148,636	-
	<u>646,449</u>	<u>646,449</u>	<u>29,020</u>

The income from other trading activities was £646,449 (2019: £29,020) of which £646,449 was unrestricted (2019: £29,020), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	<u>12,882</u>	<u>12,882</u>	<u>14,502</u>

The income from investments was £12,882 (2019: £14,502) of which £12,882 was unrestricted (2019: £14,502), £Nil restricted (2019: £Nil) and £Nil restricted fixed assets (2019: £Nil).

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

	Non Pay Expenditure			2019/20 Total £	2018/19 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Allocated support costs	109,566	58,356	124,444	292,366	-
Academy's educational operations					
Direct costs	23,263,838	1,900,972	1,375,840	26,540,650	14,297,993
Allocated support costs	6,929,920	2,835,142	1,935,389	11,700,451	3,251,611
Teaching School	82,566	-	5,877	88,443	43,264
	<u>30,385,890</u>	<u>4,794,470</u>	<u>3,441,550</u>	<u>38,621,910</u>	<u>17,592,868</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2019/20	2018/19
	£	£
Operating lease rentals	172,786	58,259
Depreciation	1,900,971	877,823
Fees payable to auditor - audit	23,000	11,950
- other services	6,100	3,525
	<u>6,100</u>	<u>3,525</u>

7 Charitable activities

	Total	Total
	2019/20	2017/18
	£	£
Direct costs - educational operations	26,540,650	14,297,993
Support costs - educational operations	11,700,451	3,251,611
	<u>38,241,101</u>	<u>17,549,604</u>

	Educational	Total	Total
	operations	2019/20	2018/19
	£	£	£
Analysis of support costs			
Support staff costs	6,929,920	6,929,920	1,293,432
Depreciation	-	-	67,717
Premises costs	2,835,142	2,835,142	1,326,462
Legal costs	25,125	25,125	9,309
Other support costs	1,868,694	1,868,694	544,253
Governance costs	41,570	41,570	10,438
Total support costs	<u>11,700,451</u>	<u>11,700,451</u>	<u>3,251,611</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	21,685,062	9,690,243
Social security costs	2,007,981	896,443
Operating costs of defined benefit pension schemes	6,390,941	2,144,426
	<u>30,083,984</u>	<u>12,731,112</u>
Supply staff costs	301,906	154,798
Staff restructuring costs	-	23,734
	<u>30,385,890</u>	<u>12,909,644</u>
	2019/20 £	2018/19 £

Staff restructuring costs comprise:

Severance payments	<u>-</u>	<u>23,734</u>
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2019: £19,882).

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as headcount was as follows:

	2019/20 No	2018/19 No
Charitable Activities		
Teachers	411	198
Administration and support	480	236
Management	4	8
	<u>895</u>	<u>442</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year expressed as full time equivalents was as follows:

	2019/20	2018/19
	No	No
Teachers	363	174
Admin	319	150
Management	3	8
	<u>685</u>	<u>332</u>

Higher paid staff

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

	2019/20	2018/19
	No	No
£60,001 - £70,000	6	2
£70,001 - £80,000	4	2
£80,001 - £90,000	2	-
£90,001 - £100,000	1	-
£100,001 - £110,000	1	2
£110,001 - £120,000	1	-
£130,001 - £140,000	1	-
	<u>1</u>	<u>-</u>

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. In the prior year this included the headteacher at each school, due to the merger and restructure, the headteachers now do not form part of key management personnel. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £477,680 (2019: £687,928).

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

9 Central services

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

- Finance and administration
- IT services and software
- Payroll and HR
- Health & safety and estates management
- Leadership management
- Settlement of other shared costs
- Secretarial

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

The full costs of the provision of central services, net of income received centrally, is recharged to the academies proportionally at a flat rate of 4.8% (2019: 4.8%) of GAG income.

The actual amounts charged during the year were as follows:

	2020
	£
Penrice	334,346
St Mewan	70,728
Carclaze	72,320
Mevagissey	25,926
Fowey	29,753
Lostwithiel	29,638
Luxulyan	20,422
Mount Charles	75,769
Poltair	182,040
Newquay Tretherras	316,170
Newquay Junior	79,100
Brannel	154,928
	<hr/>
	1,391,140
	<hr/>

10 Related party transactions - Trustees' remuneration and expenses

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

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

10 Related party transactions - Trustees' remuneration and expenses (continued)

S Dunn (Management):

Remuneration: £10,000 - £15,000 (2019 - £Nil)

Employer's pension contributions: £Nil (2019 - £Nil)

During the year ended 31 August 2020, travel and subsistence expenses totalling £155 (2019 - £1,438) were reimbursed or paid directly to 1 Trustees (2019 - 4).

Other related party transactions involving the Trustees are set out in note 27.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £1,038 (2019 - £1,352). The cost of this insurance is included in the total insurance cost.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost							
At 1 September 2019	-	35,628,103	-	514,061	977,224	3,520	37,122,908
Additions	293,787	304,325	8,172	274,903	386,922	-	1,268,109
Transfer on conversion	41,766,294	5,562,500	-	950,793	1,215,770	33,124	49,528,481
At 31 August 2020	<u>42,060,081</u>	<u>41,494,928</u>	<u>8,172</u>	<u>1,739,757</u>	<u>2,579,916</u>	<u>36,644</u>	<u>87,919,498</u>
Depreciation							
At 1 September 2019	-	3,699,552	-	348,804	872,893	3,520	4,924,769
Transfer on conversion	1,937,571	399,966	-	336,883	816,930	23,152	3,514,502
Charge for the year	615,436	681,764	-	318,744	278,777	6,250	1,900,971
At 31 August 2020	<u>2,553,007</u>	<u>4,781,282</u>	<u>-</u>	<u>1,004,431</u>	<u>1,968,600</u>	<u>32,922</u>	<u>10,340,242</u>
Net book value							
At 31 August 2020	<u>39,507,074</u>	<u>36,713,646</u>	<u>8,172</u>	<u>735,326</u>	<u>611,316</u>	<u>3,722</u>	<u>77,579,256</u>
At 31 August 2019	<u>-</u>	<u>31,928,551</u>	<u>-</u>	<u>165,257</u>	<u>104,331</u>	<u>-</u>	<u>32,198,139</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

13 Debtors

	2020	2019
	£	£
Trade debtors	82,820	31,903
Prepayments	346,791	212,134
Accrued grant and other income	772,327	456,787
VAT recoverable	213,140	184,972
Other debtors	3,091	-
	<u>1,418,169</u>	<u>885,796</u>

14 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	406,169	322,525
Other taxation and social security	524,792	206,720
Other creditors	643,248	195,566
Loans	43,907	790
Accruals	506,616	759,966
Deferred income	380,601	164,761
	<u>2,505,333</u>	<u>1,650,328</u>
	2020	2019
	£	£

Deferred income

Deferred income at 1 September 2019	164,761	190,191
Resources deferred in the period	380,601	164,761
Amounts released from previous periods	<u>(164,761)</u>	<u>(190,191)</u>
Deferred income at 31 August 2020	<u>380,601</u>	<u>164,761</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

14 Creditors: amounts falling due within one year (continued)

At the balance sheet date the Academy Trust was holding funds received in advance for UIFSM Grants, School trips and other payment received in advance.

Loans of £20,000 from CIF which is provided on the following terms: 5 years 1.97% interest.

Loans of £10,000 from CIF which is provided on the following terms: 10 years, 2.21% interest.

Loans of £13,907 from Salix which is provided on the following terms: 7 years, 0% interest.

15 Creditors: amounts falling due after one year

	2020	2019
	£	£
Loans	<u>114,768</u>	<u>-</u>

Loans of £60,000 from CIF which is provided on the following terms: 10 years 2.21% interest. £20,000 of the balance is due over 5 years from the balance sheet date,

Loans of £20,000 from CIF which is provided on the following terms: 5 years 1.97% interest.

Loans of £34,768 from Salix which is provided on the following terms: 7 years, 0% interest.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant	-	29,190,446	(29,601,353)	1,114,309	703,402
Pupil Premium	20,180	1,546,412	(1,467,911)	(55,690)	42,991
High Needs	4,563	-	(4,563)	-	-
PE & Sports Grant	28,489	149,050	(149,845)	17,114	44,808
Donations	-	41,609	(31,361)	-	10,248
Universal infant free school meals	-	223,619	(223,619)	-	-
Rates relief	40,903	52,253	(93,076)	(80)	-
Teachers pay & pension grant	-	1,516,889	(1,507,108)	-	9,781
Year 7 catchup grant	-	107,753	(107,753)	-	-
Start Up Grant	67,711	35,000	(56,909)	-	45,802
Other LA grants	-	776,136	(752,108)	5,772	29,800
Other DfE	-	118,120	(118,120)	-	-
Other restricted funds	800	104,389	(108,470)	39,382	36,101
	<u>162,646</u>	<u>33,861,676</u>	<u>(34,222,196)</u>	<u>1,120,807</u>	<u>922,933</u>
Restricted fixed asset funds					
Fixed assets transferred on conversion	25,660,216	45,814,176	(1,476,162)	204,213	70,202,443
Fixed assets purchased from GAG	1,536,942	-	(129,849)	210,581	1,617,674
Condition improvement fund	952,795	37,328	(20,470)	31,771	1,001,424
School condition allocation	2,151,206	1,862,663	(179,562)	(96,554)	3,737,753
LA capital funding	618,697	65,971	(15,541)	(4,273)	664,854
Healthy pupil capital funding	36,257	-	(746)	-	35,511
Devolved formula capital	333,215	151,638	(31,855)	(20,841)	432,157
Private sector capital sponsorship	18,217	18,882	(2,400)	(859)	33,840
Academies Capital Maintenance Fund	1,687,506	-	(38,722)	-	1,648,784
Other restricted funds	-	126,741	(4,277)	-	122,464
	<u>32,995,051</u>	<u>48,077,399</u>	<u>(1,899,584)</u>	<u>324,038</u>	<u>79,496,904</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted pension funds					
Pension reserve	<u>(4,984,000)</u>	<u>(7,076,000)</u>	<u>(1,835,000)</u>	<u>(585,000)</u>	<u>(14,480,000)</u>
Total restricted funds	28,173,697	74,863,075	(37,956,780)	859,845	65,939,837
Unrestricted funds					
Unrestricted general funds	<u>2,257,240</u>	<u>3,263,535</u>	<u>(665,130)</u>	<u>(1,444,845)</u>	<u>3,410,800</u>
Total funds	<u><u>30,430,937</u></u>	<u><u>78,126,610</u></u>	<u><u>(38,621,910)</u></u>	<u><u>(585,000)</u></u>	<u><u>69,350,637</u></u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant	-	13,748,686	(13,878,307)	129,621	-
Pupil Premium	25,428	764,107	(769,355)	-	20,180
High Needs	841	194,515	(190,793)	-	4,563
PE & Sports Grant	40,247	127,380	(139,138)	-	28,489
Donations	3,969	79,847	(83,816)	-	-
Universal infant free school meals	-	254,598	(254,598)	-	-
Rates relief	38,658	69,099	(66,854)	-	40,903
Teachers pay & pension grant	-	120,934	(120,934)	-	-
Year 7 catchup grant	-	19,500	(19,500)	-	-
Start Up Grant	-	80,000	(12,289)	-	67,711
Other LA grants	-	60,599	(60,599)	-	-
Other restricted funds	-	44,157	(46,621)	3,264	800
	<u>109,143</u>	<u>15,563,422</u>	<u>(15,642,804)</u>	<u>132,885</u>	<u>162,646</u>
Restricted fixed asset funds					
Fixed assets transferred on conversion	29,194,171	-	(533,955)	-	28,660,216
Fixed assets purchased from GAG	1,229,070	-	(146,298)	454,170	1,536,942
Condition improvement fund	977,530	-	(24,171)	(564)	952,795
School condition allocation	1,543,599	859,131	(79,510)	(172,014)	2,151,206
LA capital funding	368,765	270,678	(14,306)	(6,440)	618,697
Healthy pupil capital funding	40,891	-	(746)	(3,888)	36,257
Devolved formula capital	230,191	227,126	(38,823)	(85,279)	333,215
Private sector capital sponsorship	20,499	-	(1,292)	(990)	18,217
Academies Capital Maintenance Fund	<u>1,726,228</u>	<u>-</u>	<u>(38,722)</u>	<u>-</u>	<u>1,687,506</u>
	35,330,944	1,356,935	(877,823)	184,995	35,995,051
Restricted pension funds					
Pension reserve	<u>(2,935,000)</u>	<u>-</u>	<u>(414,000)</u>	<u>(1,635,000)</u>	<u>(4,984,000)</u>
Total restricted funds	32,505,087	16,920,357	(16,934,627)	(1,317,120)	31,173,697

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Unrestricted funds					
Unrestricted general funds	<u>2,310,376</u>	<u>922,984</u>	<u>(658,240)</u>	<u>(317,880)</u>	<u>2,257,240</u>
Total funds	<u>34,815,463</u>	<u>17,843,341</u>	<u>(17,592,867)</u>	<u>(1,635,000)</u>	<u>33,430,937</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

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

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

Other DfE/ESFA grants - includes: Pupil Premium funding received from the ESFA for children that qualify for free school meals to enable the trust to address the current underlying inequalities between its disadvantaged pupils; and PE and sport funding - the PE and sport funding is designed to help primary schools improve the quality of the PE and sport activities they offer their pupils.

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

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

Fixed assets purchased from GAG and other restricted funds - This represent the builings and equipment that the Academy has bought from school funds.

DfE/ESFA Capital Grants - These funds are received for direct expenditure on fixed asset projects. It includes Devolved formula capital, which represents funding from the ESFA to cover the maintenance and purchase of the Academy Trust's assets. It also included any Condition Improvement Funds awarded.

Private sector capital sponsorship - This fund represents the net book value of assets funded by private sector capital.

LA revenue - Specific funding provided from local authority for various specific purposes.

UFSM - Grant is provided to deliver the legal requirement to offer free school meals meeting the school food standards to all reception, year 1 and year 2 pupils.

LA Fixed assets - These are assets which have been transferred from the local authority on conversion or funded by specific initiatives by the LA to adapt the site for children with SEN and disability needs.

SCA - Provided to the Trust to fund condition improvement to all schools sites within the trust.

During the period the following transfers were made:

GAG funding and unrestricted funds were transferred to fixed assets in relation to capital purchases. Unrestricted funds were transferred to the CIF fund in relation to the CIF/Salix loan repayments. Unrestricted asset was transferred to restricted fixed asset funds. There were some transfers from restricted fixed assets to unrestricted funds and this related to capital purchases that were under the capitalisation limit.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
Penrice	1,162,696	1,137,096
Poltair	31,414	-
Newquay Tretherras	953,941	-
Brannel	717,622	-
Newquay Junior	298,553	-
St Mewan	366,167	317,067
Carclaze	101,603	184,892
Mevagissey	92,776	98,162
Fowey	57,342	31,990
Lostwithiel	34,703	49,109
Luxulyan	152,536	149,933
Mount Charles	346,350	332,047
Central services	18,030	119,590
	<hr/>	<hr/>
Total before fixed assets and pension reserve	4,333,733	2,419,886
Fixed assets transferred on conversion	79,496,904	32,995,051
Pension reserve	(14,480,000)	(4,984,000)
	<hr/>	<hr/>
Total	<u>69,350,637</u>	<u>30,430,937</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Funds (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £	Total 2019 £
Newquay Tretherras	5,068,111	2,063,666	290,951	591,609	8,014,336	-
Penrice	5,271,200	994,735	353,236	647,821	7,266,992	7,217,092
Brannel	2,429,406	651,412	114,575	300,073	3,495,466	-
Poltair	2,779,952	908,023	225,027	391,411	4,304,413	-
Mount Charles	1,528,939	232,852	84,847	192,409	2,039,047	1,858,464
Newquay Junior	1,435,457	244,517	50,179	132,358	1,862,512	-
Carclaze	1,386,574	197,764	57,429	179,393	1,821,159	1,655,499
St Mewan	1,280,093	264,314	61,505	181,844	1,787,756	1,661,819
Lostwithiel	481,106	107,123	30,874	102,047	721,150	671,724
Fowey	494,378	107,095	41,211	75,320	718,003	779,414
Mevagissey	436,628	93,708	31,853	63,204	625,393	578,171
Luxulyan	363,112	72,278	22,069	41,782	499,241	475,228
Central services	308,882	992,433	12,084	417,071	1,730,471	1,403,634
Academy Trust	<u>23,263,838</u>	<u>6,929,920</u>	<u>1,375,840</u>	<u>3,316,342</u>	<u>34,885,939</u>	<u>16,301,045</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Tangible fixed assets	-	-	77,579,256	77,579,256
Current assets	3,459,475	3,285,098	2,126,909	8,871,482
Current liabilities	(13,907)	(2,362,165)	(129,261)	(2,505,333)
Creditors over 1 year	(34,768)	-	(80,000)	(114,768)
Pension scheme liability	-	(14,480,000)	-	(14,480,000)
Total net assets	<u>3,410,800</u>	<u>(13,557,067)</u>	<u>79,496,904</u>	<u>69,350,637</u>

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

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total funds
	£	£	£	£
Tangible fixed assets	-	-	32,198,139	32,198,139
Current assets	2,258,030	1,812,184	796,912	4,867,126
Current liabilities	(790)	(1,649,538)	-	(1,650,328)
Pension scheme liability	-	(4,984,000)	-	(4,984,000)
Total net assets	<u>2,257,240</u>	<u>(4,821,354)</u>	<u>32,995,051</u>	<u>30,430,937</u>

18 Capital commitments

	2020	2019
	£	£
Contracted for, but not provided in the financial statements	<u>284,393</u>	<u>60,600</u>

19 Financial commitments

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

19 Financial commitments (continued)

	2020 £	2019 £
Amounts due within one year	148,708	60,564
Amounts due between one and five years	310,283	113,085
	<u>458,991</u>	<u>173,649</u>

20 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2019/20 £	2018/19 £
Net income	39,504,700	250,474
Depreciation	1,900,971	877,823
Capital grants from DfE and other capital income	(2,219,415)	(1,435,618)
Interest receivable	(12,882)	(4,457)
Interest payable	15,205	-
Non cash balances transferred from other MATs	(38,249,299)	-
Defined benefit pension scheme cost less contributions payable	1,621,000	327,000
Defined benefit pension scheme finance cost	214,000	87,000
Decrease/(increase) in debtors	153,295	(183,519)
(Decrease)/increase in creditors	(382,245)	153,976
Net cash provided by Operating Activities	<u>2,545,330</u>	<u>72,679</u>

21 Cash flows from financing activities

	2019/20 £	2018/19 £
Interest payable	(15,205)	4,457
Repayments of borrowing	(22,330)	-
Net cash (used in)/provided by financing activities	<u>(37,535)</u>	<u>4,457</u>

22 Cash flows from investing activities

	2019/20 £	2018/19 £
Dividends, interest and rents from investments	12,882	-
Purchase of tangible fixed assets	(1,268,109)	(1,672,659)
Capital grants from DfE Group	2,219,415	1,435,618
Net cash provided by/(used in) investing activities	<u>964,188</u>	<u>(237,041)</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	<u>7,453,313</u>	<u>3,981,330</u>
Total cash and cash equivalents	<u><u>7,453,313</u></u>	<u><u>3,981,330</u></u>

24 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	Acquisition of academy liabilities £	Other non-cash changes £	At 31 August 2020 £
Cash	<u>3,981,330</u>	<u>3,471,983</u>	<u>-</u>	<u>-</u>	<u>7,453,313</u>
	<u>3,981,330</u>	<u>3,471,983</u>	<u>-</u>	<u>-</u>	<u>7,453,313</u>
Loans falling due within one year	(790)	39,115	(30,000)	(52,232)	(43,907)
Loans falling due after more than one year	<u>-</u>	<u>-</u>	<u>(167,000)</u>	<u>52,232</u>	<u>(114,768)</u>
	<u>(790)</u>	<u>39,115</u>	<u>(197,000)</u>	<u>-</u>	<u>(158,675)</u>
Total	<u><u>3,980,540</u></u>	<u><u>3,511,098</u></u>	<u><u>(197,000)</u></u>	<u><u>-</u></u>	<u><u>7,294,638</u></u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

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 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.

26 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 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.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,919,088 (2019: £1,093,025).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,734,000 (2019 - £883,000), of which employer's contributions totalled £1,361,000 (2019 - £721,000) and employees' contributions totalled £373,000 (2019 - £162,000). The agreed contribution rates for future years are 16.7 - 16.9 per cent for employers and 5.2-5 -12.0 per cent for employees.

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

On 27 June 2019 the Supreme Court upheld the Court of Appeal's ruling that government reform's made in 2015 to the pensions of judges and firefighters were unlawful on the grounds of age discrimination. This case has become known as the 'McCloud judgement' and the ruling will have wider implications for all public service schemes affected by the reforms. Accordingly, the valuation provided by the actuary at 31 August 2019 and 31 August 2020 includes the expected impact of compensation payments arising from this judgement.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.20	2.40
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.20</u>	<u>2.30</u>

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

	2020	2019
Retiring today		
Males retiring today	21.40	21.10
Females retiring today	23.60	23.60
Retiring in 20 years		
Males retiring in 20 years	22.30	22.30
Females retiring in 20 years	<u>25.10</u>	<u>25.00</u>

Sensitivity analysis

	At 31 August 2020 £
Discount rate +0.5%	31,222,000
Discount rate -0.5%	40,392,000
Salary increase rate +0.5%	36,219,000
Salary increase rate -0.5%	35,395,000
CPI rate +0.5%	39,906,000
CPI rate -0.5%	<u>31,708,000</u>

The academy trust's share of the assets in the scheme were:

	2020 £	2019 £
Equities	11,943,000	5,783,000
Corporate bonds	7,677,000	4,256,000
Property	1,279,000	764,000
Cash and other liquid assets	<u>428,000</u>	<u>109,000</u>
Total market value of assets	<u>21,327,000</u>	<u>10,912,000</u>

The actual return on scheme assets was (£123,000) (2019 - £1,189,000).

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

26 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost	(2,982,000)	(1,034,000)
Past service cost	-	(14,000)
Interest income	349,000	261,000
Interest cost	<u>(563,000)</u>	<u>(348,000)</u>
Total amount recognised in the SOFA	<u>(3,196,000)</u>	<u>(1,135,000)</u>

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

	2019/20 £	2018/19 £
At start of period	15,896,000	11,884,000
Transferred in on existing academies joining the trust	16,122,000	-
Current service cost	2,982,000	1,034,000
Interest cost	563,000	348,000
Employee contributions	373,000	162,000
Actuarial (gain)/loss	113,000	2,563,000
Benefits paid	(242,000)	(109,000)
Past service cost	<u>-</u>	<u>14,000</u>
At 31 August	<u>35,807,000</u>	<u>15,896,000</u>

Changes in the fair value of academy's share of scheme assets

	2019/20 £	2018/19 £
At start of period	10,912,000	8,949,000
Transferred in on existing academies joining the trust	9,046,000	-
Interest income	349,000	261,000
Actuarial gain/(loss)	(472,000)	928,000
Employer contributions	1,361,000	721,000
Employee contributions	373,000	162,000
Benefits paid	<u>(242,000)</u>	<u>(109,000)</u>
At 31 August	<u>21,327,000</u>	<u>10,912,000</u>

27 Related party transactions

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

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

27 Related party transactions (continued)

During the year the academy made the following related party transactions:

Mrs L Mann

(L Mann, spouse of A Mann, a trustee and member, is employed by the academy trust as a teacher) L Mann's appointment was made in open competition and A Mann was not involved in the decision-making process regarding appointment. L Mann is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee. In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2019. At the balance sheet date the amount due to Mrs L Mann was £Nil (2019 - £Nil).

Mrs H Childs

(H Childs, spouse of J Childs, a trustee, is employed by the academy trust as a teaching assistant) H Child's appointment was made in open competition and J Childs was not involved in the decision-making process regarding appointment. H Childs is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee. In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2019. At the balance sheet date the amount due to Mrs H Childs was £Nil (2019 - £Nil).

Cornwall College

(K Pinnell (Trustee) is the Deputy Headteacher of Cornwall College) In the period £371 (2019 - Nil) of income was recorded from Cornwall College in respect of services provided in the period. Expenditure of £500 was incurred (2019 - Nil). In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2019. At the balance sheet date the amount due to Cornwall College was £Nil (2019 - £Nil).

Income related party transactions

During the year the academy made the following related party transactions:

NQY Sports Ltd

(R Karkeek, the sole shareholder and director of NQY Sports Ltd, is the husband of S Karkeek, a senior leader of the Trust.)

The contract to run Newquay Sports & Community Centre was put out to tender and S Karkeek was not involved in the decision-making process regarding the awarding of the contract. During the period NQY Sports Ltd was permitted to operate the bar and catering facilities at Newquay Sports & Community Centre, which Cornwall Education Learning Trust had a licence to occupy. During the period £6,000 (31/10/19 - £Nil) was received and there were no amounts outstanding at the period end.

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2020 the academy trust received £11,116 and disbursed £20,714 from the fund. Additionally, as part of the merger £57,281 was received when NET came into the trust on 1st November 2019. An amount of £47,683 is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2019 are £Nil received, £Nil disbursed and £Nil included in other creditors.

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

29 Transfer of existing academies into the Trust

Transfer in of Newquay Education Trust

	Value reported by transferring academy trust £	Transfer in recognised £
Tangible fixed assets		
Freehold land and buildings	33,494,257	33,494,257
Leasehold land and buildings	5,037,434	5,037,434
Furniture and equipment	381,414	381,414
Computer equipment	343,943	343,943
Motor vehicles	9,972	9,972
	<u>39,267,020</u>	<u>39,267,020</u>
Current financial assets		
Debtors	658,268	658,268
Other assets		
Cash in bank and in hand	2,387,715	2,387,715
Liabilities		
Creditors due in less than one year	(1,222,553)	(1,222,553)
Creditors due in more than one year	<u>(105,000)</u>	<u>(105,000)</u>
	(1,327,553)	(1,327,553)
Pensions		
Pensions – pension scheme liabilities	<u>(4,639,000)</u>	<u>(4,639,000)</u>
Net assets	<u>36,346,450</u>	<u>36,346,450</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

30 Teaching school trading account

	2019/20 £	2018/19 £
Income		
Direct Income		
Other income	40,000	40,000
Other Income		
Fundraising and other trading activities	<u>9,350</u>	<u>3,570</u>
Total Income	<u>49,350</u>	<u>43,570</u>
Expenditure		
Direct costs		
Direct staff costs	82,566	17,692
Staff development	<u>650</u>	<u>-</u>
Total direct costs	<u>83,216</u>	<u>17,692</u>
Other costs		
Support staff costs	186	9,954
Recruitment and support	383	-
Other support costs	<u>4,658</u>	<u>15,618</u>
Total other costs	<u>5,227</u>	<u>25,572</u>
Total Expenditure	(88,443)	(43,264)
Transfers between funds excluding depreciation	<u>39,093</u>	<u>(306)</u>
Surplus/(Deficit) from all sources	<u>-</u>	<u>-</u>
Teaching school balances at 31 August 2020	<u>-</u>	<u>-</u>

Cornwall Education Learning Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

31 Events after the end of the reporting period

On 1 September 2020 the net assets of Pondhu Primary School were transferred into the trust.

32 Conversion to an academy trust

On 1 September 2019 the Poltair School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Cornwall Education Learning Trust from the Cornwall Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority and other MATs.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted fund £	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets				
Other tangible fixed assets	-	-	6,746,982	6,746,982
Budget surplus on LA funds	206,254	-	-	206,254
LGPS pension deficit	-	(2,437,000)	-	(2,437,000)
Borrowing obligations	<u>(62,000)</u>	<u>-</u>	<u>-</u>	<u>(62,000)</u>
Net assets/(liabilities)	<u>144,254</u>	<u>(2,437,000)</u>	<u>6,746,982</u>	<u>4,454,236</u>

The above net assets include £206,254 that were transferred as cash.