

Company Registration No. 08791046 (England and Wales)

COMMUNITAS EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021



COMMUNITAS EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

	Page
Reference and administrative details	1
Trustees' report	2 - 9
Governance statement	10 - 12
Statement on regularity, propriety and compliance	13
Statement of Trustees' responsibilities	14
Independent auditor's report on the accounts	15 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities	20 - 21
Balance sheet	22
Cash flow statement	23
Notes to the accounts	24 – 46

COMMUNITAS EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

P Marray (Chair of Trustees)
A Sparks
F Nieboer
A Griffiths
C Owen
E O'Mahony
R Miller
Y Ndifor

Members

P Marray
A Sparks
E Holdsworth
K Rose
M East

Executive management team

- Chief Executive Officer
- Director of Finance & Business
- Headteacher
- Headteacher
- Headteacher
- Headteacher

N Tildesley
S Fontaine
J Rooney (John Donne Primary School)
S Wattam (Goose Green Primary School)
A Butcher (Childeric Primary School)
M Rose (John Keats Primary School)

Academies Operated

John Donne Primary School, Peckham-founding academy January 2014.
Goose Green Primary School, East Dulwich – Joined September 2017
John Keats Primary School, Rotherhithe – opened September 2018
Childeric Primary School, New Cross – Joined September 2018

Company registration number

08791046 (England and Wales)

Registered office

Communitas Education Trust
c/o John Keats Primary School
Rotherhithe New Road
London SE16 3FN

Independent auditor

Baxter & Co
Lynwood House
Crofton Road
Orpington
Kent BR6 8QE

Bankers

Lloyds Bank PLC
39 Threadneedle St
London EC2R 8AU

Solicitors

Browne Jacobson
15th Floor
6 Bevis Marks
London EC3A 7BA

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2020/2021 issued by the ESFA.

Communitas Education Trust operates as a Multi Academy Trust with four academies, John Donne Primary School which is situated in the heart of Peckham, a vibrant, exciting and multi-cultural area in South East London, Goose Green Primary School in East Dulwich, Childeric Primary School in New Cross and the newly opened John Keats Primary School, in Rotherhithe which officially opened in September 2018. We provide a curriculum which is strong in the arts and sports, as well as a school provision which offers care from 7.45 a.m. until 6.00 p.m. daily and during the summer break.

On 1st January 2014, John Donne Primary School became an independent academy. On 1 September 2017 Goose Green Primary School joined the trust. Childeric and John Keats became part of the trust in September 2018. The trust now has responsibility for admissions, although applications for reception places still need to be returned to Southwark Local Authority by the agreed deadline. The trust is also able to be more creative around curriculum themes and further develop its role in supporting other schools both locally and nationally.

During the year, the trust operated four academies for pupils aged 3 to 11 serving a catchment area in Peckham, New Cross, Rotherhithe and East Dulwich. It has a pupil capacity of 1410.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The company was incorporated on 26 November 2013, and the predecessor school converted to academy status on 1 January 2014. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

On 19 August 2016, the company changed its name to "Communitas Education Trust" following a resolution of the members on 23 June 2016. The same resolution also gave effect to the adoption of new Articles of Association. With effect from 23 June 2016, the adoption of the new Articles allows the company to operate as a Multi Academy Trust (MAT), and on 1 September 2017, Goose Green Primary School joined the trust. Followed by Childeric and John Keats on 1 September 2018.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

No indemnities have been provided by the company to any third parties on behalf of any of the trustees.

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Method of recruitment and appointment or election of Trustees and Governors

Trustees of the charitable company are appointed as follows:

- The first Trustees are those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006;
- Up to 5 Trustees appointed by the members;
- Up to 2 Chairmen of Local Governing Bodies, appointed by the Trustees;
- The Executive Principal;
- A minimum of 2 Parent Trustees;
- Co-Opted Trustees may be appointed by the Trustees who are not themselves Co-Opted Trustees.

Policies and procedures adopted for the induction and training of Trustees and Governors

The training and introduction provided for new Trustees and Governors will depend on their existing experience. Where necessary, induction will provide training in charity, educational, legal and financial matters. All Trustees and Governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as Trustee or Governor.

Organisational structure

The Board of Trustees, the majority of whom are non-executive, comprises those persons appointed under the Articles of Association. The Board meets at least 3 times a year and has 3 committees:

- Finance Committee
- Standards & Achievement Committee
- Strategy Committee

The Finance Committee also fulfils the function of an Audit Committee.

The committees are formally constituted with terms of reference and comprise appropriately qualified and experienced members.

Trustees delegate specific responsibilities to the committees, the activities of which are reported to and discussed at full Trust Board meetings.

Day to day management of the Academy Trust is undertaken by the Head Teachers, supported by the leadership team.

The Chief Executive Officer is the Accounting Officer and the Director of Finance & Business is the Principal Finance Officer.

Arrangements for setting pay and remuneration of key management personnel

The senior management team (SMT) are the key management personnel of the trust. Trustees are also senior management although they receive no pay or other remuneration in respect of their role as Trustees. Where staff Trustees are in place, they receive remuneration for their role as staff and their pay is determined in the same way as applicable to all other staff. Further details of remuneration paid to staff who are Trustees is set out within the notes to the accounts.

The pay of the CEO and Head Teachers is set annually by the Pay Committee, having regard to performance against objectives set the previous year. Pay of other SMT members is also set by the Pay Committee again having regard to performance against previously agreed objectives and any recommendations made by the Principal.

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Trade Union Facility Time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total Cost of facility time	£0
Total Pay bill	£7,772k
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours.	0%
--	----

Related Parties and other Connected Charities and Organisations

The trust has a working collaborative with Goldsmith University in order for the academy trust to deliver its school direct programme. We have collaboration with 22 different primary schools in and around the London Borough of Southwark and beyond.

Engagement with employees (including disabled persons)

The following statement summarises action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the Trust's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the Trust.
- The Trust's policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons.

The Trust places immense value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Trust. This is achieved through formal and informal meetings, team briefings and internal newsletters/updates. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests.

In respect of disabled persons, the policy of the Trust is to support recruitment and retention of students, staff and Trustees/Governors with disabilities. Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of all the schools. The Trust does this by adapting the physical environment, making support resources available and through relevant training. Our policy is to promote the career development and promotion of disabled persons, irrespective of the nature of their disability and we will provide

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

whatever assistance we reasonably can do in order to support the individual in meeting their career goals, ensuring that there is a 'level playing field' for all.

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

The Trust recognises the importance of maintaining good business relationships with its suppliers. We have a clear procurement policy to ensure that suppliers are treated in an even-handed manner. The performance of and relationship with key suppliers is constantly monitored to ensure that we treat suppliers fairly, ensuring that payment terms are adhered to and that we comply with contractual obligations placed upon the Trust. We encourage an open and ongoing dialogue with suppliers to ensure that we conduct our business with them in a professional commercial manner.

Our objects and aims, described below, put students at the heart of all that we do. We have described our main achievements within the Strategic Report and also how we have performed against our objectives. We are committed to ensuring that we maintain strong and effective relationships with students, parents and wider stakeholders in the community.

Objectives and activities

The purpose of the academy trust is to delivery an outstanding education provision to ensure our children receive high quality provision. Our staff are trained to a high standard to ensure they understand their role within school but also within the local community.

Objects and aims

The principal object of the company is the advancement of education in the United Kingdom. It achieves this object principally through the operation of its academies, the aim being to establish, maintain, manage and develop academies offering a broad and balanced curriculum. The Articles allow the company to operate further academies in the future.

Objectives, strategies and activities

Communitas Education Trust aims to maintain and improve the quality of teaching. We also wish to maintain and develop the outreach of the school with the school direct programme and links with other schools and universities. We will continue to develop the outreach work with the National Support School.

Public benefit

In setting the objectives and planning the associated activities, Trustees have given careful consideration to and complied with the Charity Commission's general guidance on public benefit.

Strategic report

Achievements and performance

2020-21

School Population Data:

Statistics for autumn 2020 John Donne, Goose Green, Childeric and John Keats.

Number of pupils on roll: 1175

Number of full-time pupils in the Nursery: 80

Attendance for the academic year is 88.47%. This is slight decline on our attendance for last year which was 94.6%. The national figures are 95.8% for 2018/19, which was the last published target from the DfE. Due to COVID-19 the national figures for academic year 2020-21 were **suspended** – we know that attendance across our schools improves as the academic year progresses but this did not happen as school were closed from January 2021 and reopening in full from March 2021.

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The past eighteen months has witnessed significant disruption in education for our children due to the COVID pandemic. Our schools have all responded magnificently to the challenges that disrupted and distanced learning has presented. We have expanded our online offer to ensure continuity in learning and supported families to ensure that they and their children continued to thrive throughout this time.

Schools have ensured that children returning to the classroom full time have had a broad curriculum offer and that any gaps have been addressed. Children have missed out on the social aspects of cooperative learning and the interactions they would normally have with peers. We have put in place structures to support re-integration into learning. The use of creative approaches has played a significant part in ensuring learning is both meaningful and effective.

There has been no statutory end of key stage tests so schools have set about ensuring good baseline information as children returned to the classroom. From this, plans have been made to 'plug' any gaps in learning. Children in the early years and KS1 have been the most affected and the focus on transitional learning has and will continue into the future.

SEN

We are well above the national average for the numbers of pupils identified with an EHCP across all schools. We have been very clear about the assessment of pupils for SEN and so our data reflects only children with an identifiable need. We continue to address the majority of emotional and behavioural needs through a focus on the quality of teaching for all children and this has had an impact on the outcomes for all groups.

Key Financial Performance Indicators

Trustees have set staff salary indicators at 80% of grant income for the academy trust. Also, to ensure we have a carry forward balance to ensure we have a reserve for any unforeseen expenditure. The trustees have also introduced budgeting parameters across all schools to ensure schools are well resourced and set balanced school budgets, in accordance with the Academies Financial Handbook.

Other Key Performance Indicators

- John Donne School was judged as '**Outstanding**' at its last OFSTED inspection.
- Goose Green was judged as '**Good**' at its last OFSTED inspection.
- Childeric Primary was judged as '**Good**' at its last OFSTED inspection.
- John Keats does **not** currently have an OFSTED rating due to the school being newly opened.

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, the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies. Communitas Education Trust plans to merge with NEXUS Education Schools Trust (NEST) in early 2022. We believe this will offer opportunities to pupils, staff and the wider school communities.

Financial review

We receive our income from a number of different sources. The majority of our income comes from central government via the Education and Skills Funding Agency who provide us with grant, based largely on our student numbers to cover our staffing and other general running costs (General Annual Grant - GAG). The ESFA may provide us with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils). These appear in the accounts as DfE/ESFA grants. Where we receive grant or other funding from the Local Authority (such as where we undertake responsibilities on their behalf in respect of our students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds". Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from our bank for interest on our account balances or from

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

others who are charged for their use of our facilities). Such other income may be restricted or unrestricted, depending on whether it comes to us with conditions as to its use or whether it is available for spending at the discretion of the trustees.

We hold funds in two broad categories, funds which are available for spending and other funds which are not available for spending. Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of trustees ("Unrestricted Funds") and those which are subject to condition or restriction, ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but clearly, we cannot spend this value. In common with all academies and Local Authorities, our share of the Local Government Pension Scheme deficit must also be reflected in our accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. We meet our obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

The following balances held were held at 31 August:

Fund	Category	2021 £'000	2020 £'000
GAG	Restricted General Funds	97	272
Other DfE/ESFA Grants	Restricted General Funds	-	-
Other government grants	Restricted General Funds	-	-
Other Income	Restricted General Funds	-	-
	<i>Sub-total General Restricted Funds</i>	97	272
Unspent Capital Grants	Restricted Fixed Asset Fund	396	1,079
Other Income	Unrestricted General Fund	536	328
	<i>Sub-Total Spendable Funds</i>	1,029	1,679
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	44,726	44,800
Share of LGPS Deficit	Restricted Pension Reserve	(6,389)	(5,009)
	<i>Total All Funds</i>	<u>39,366</u>	<u>41,470</u>

During the year under review, there was a decrease of £175k (2020: decrease of £116k) on general restricted funds, an increase of £208k (2020: increase of £210k) on unrestricted funds and after LGPS valuation adjustments, depreciation and capital income and expenditure, an overall decrease of £2,104k (2020: decrease of £519k).

Reserves policy

The principal policy on reserves is that accumulation of any unspent GAG balances should not breach any limits set out on the funding agreement. The level of resources should never be in deficit.

Each year the Trustees review the reserve requirements and grant and other income that is forecast for the coming year and an annual budget is finalised and approved.

Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted.

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

Principal risks and uncertainties

The principal financial risk faced by the Academy Trust is that ongoing pressure on funding results in a risk that deficits may be experienced. The budgeting and reporting process, including scrutiny by the Trustees of actual financial performance, mitigates the risk.

As the nature of the financial instruments dealt with by the Academy Trust is relatively simple (bank balances, debtors and "trade" creditors). Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice.

Our fundraising practices

The trust and individual academies within it organise fundraising events and appeals and co-ordinate the activities of our supporters both in the academies and in the wider community on behalf of the trust. The trust engages with a contractor to review current grant opportunities these include Condition Improvement Funding, staff developments and eco initiatives to name a few.

There have been no complaints about fundraising activity this year.

The trust complies with the Fundraising Regulator's Code of Fundraising Practice.

All fundraising is undertaken by the trust in a manner that seeks to ensure that it is not unreasonably intrusive or persistent. Contact is made through email, academy newsletters, our websites and via students. All fundraising material contains clear instructions on how a person can be removed from mailing lists.

Plans for future periods

The main objectives for 2021/22 are:

- Support the development of an updated curriculum offer from all schools across the Trust
- Develop support for high need pupils so that they receive interventions quickly and effectively and are supported through a redesigned pastoral structure to overcome barriers to learning.
- Grow the MAT (Communitas Education Trust) to include other local schools and further explore shared services across the existing schools.
- Ensure all schools have viable Reception classes for September 2022 onwards.
- Continue to develop the work of the Growth, Sustainability operations group. This group will consider opportunities for growing income and opportunities to reduce cost.
- Develop staff skills to improve educational provision both within the MAT and across other local schools. Working closely with the NEXUS multi academy trust.
- Provide enrichment for the curriculum, particularly in Art, PE Music, wellbeing, mental health and environmental studies.
- Explore the opportunities of outdoor learning across the MAT, be innovative within all schools to embed this as a standard curriculum practice.
- Take stock of the impact of Covid-19 on children learning, using the governments 'catch up' fund strategically to ensure best value for these groups requiring additional support.
- Develop our pastoral team and implement a trust wide 'pastoral standard' for all schools within the MAT.
- Continue the scope of the trust's ITT work in order to ensure a well- trained teacher workforce in the future by working closely with the London South Teaching School Alliance and Goldsmiths College.

Funds Held as Custodian Trustee on Behalf of Others

The Trust operates as "banker school" for a consortium of teacher training organisations. In this role it distributes teacher training funds to other members or incurs expenditure on their behalf, as an agent for the NCTL/DfE. The unspent balance of such funds is recorded within creditors in the accounts. Further details are set out in the notes to the accounts.

COMMUNITAS EDUCATION TRUST

TRUSTEES' REPORT

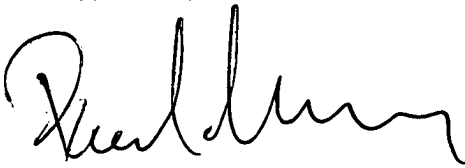
FOR THE YEAR ENDED 31 AUGUST 2021

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.

Approved by order of the Board of Trustees on 16 Dec 2021 and signed on its behalf by:



.....
P Marray
Chair of Trustees

COMMUNITAS EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Communitas Education 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 Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Communitas Education Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Attendees	Meetings attended	Out of possible
P Marray (Chair of Trustees & Member)	3	3
A Sparks (& Member)	3	3
N Tildesley (CEO & Headteacher)	3	3
C Owen	3	3
E O'Mahony	3	3
F Nieboer (Chair of Finance Committee)	2	3
A Griffiths	3	3
Y Ndifor	3	3
R Miller	3	3

There have been no key changes in the composition of the Board of Trustees during 2020-21.

Governance reviews

Currently all positions are fulfilled within the trust governance structure.

The Finance Committee is a committee of the main Board of Trustees. Its purpose is to help plan and recommend the budget for approval by the full Board of Trustees; to receive regular reports from the school's auditors and the Finance Manager; the committee is involved in the strategic planning of school development which demand funding; Health and Safety and Security issues are also within the remit of this committee. The committee oversees all contracts entered into by the schools (over £50k) and all purchases which require particular procurement processes, however there have been none over these thresholds that required Finance Committee oversight during this academic year. The members of the committee have been selected by the Board of Trustees because of their familiarity with issues related to financial management and issues connected to the particular work of this committee.

The committee works to ensure the best value is obtained in all aspects of the academy's business.

Attendance at Finance Committee meetings in the period was as follows:

Attendees	Meetings attended	Out of possible
F Nieboer (Chair of Finance Committee)	3	3
N Tildesley (CEO & Headteacher)	3	3
S Fontaine (Director of Business & Finance)	3	3
P Murray (Trustee)	3	3

COMMUNITAS EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

The Standards & Achievement and the Strategy committees also met three times in the last academic year.

Review of Value for Money

As the accounting officer, N Tildesley has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the 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 year by:

- Ensuring that best value is obtained by getting 3 quotes for extensive premises works.
- Ensuring that staffing is resourced well and benchmarking of MAT schools against other MATS of a similar size is done.
- Completing a benchmarking exercise with other schools in the MAT
- Ensuring more able students are achieving better outcomes through the new and innovative use of the HLTA staff structure and their intervention programmes.

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 Communitas Education Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Finance and Management in Education Ltd (FAME), an education finance specialist firm, to conduct a programme of internal assurance work. During the year a visit was scheduled for April but had to be deferred because of lockdown restrictions. The visit was successfully completed at a later time and the reports provided by FAME

COMMUNITAS EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

confirmed no material weaknesses were apparent. The Board of Trustees is satisfied that the role has been fulfilled effectively.

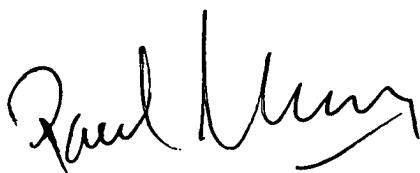
Review of effectiveness

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

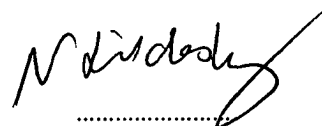
- the work of Finance and Management in Education Ltd;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control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

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

Approved by order of the Board of Trustees on 16 December 2021 and signed on its behalf by:



.....
P Marray
Chair of Trustees



.....
N Tildesley
CEO & Accounting Officer

COMMUNITAS EDUCATION TRUST

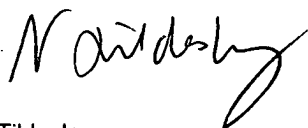
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of Communitas Education Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees 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 2020.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of 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 2020.

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



N Tildesley
Accounting Officer

16 December 2021

COMMUNITAS EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who are also the directors of Communitas Education 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 2020 to 2021 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

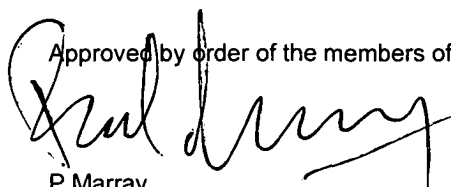
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 16 December 2021 and signed on its behalf by:



P Marray
Chair of Trustees

COMMUNITAS EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITAS EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2021

Opinion

We have audited the Financial Statements of Communitas Education Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the Financial Statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

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 Trust 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

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

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

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

Other information

The Trustees are responsible for the other information, which 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.

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.

COMMUNITAS EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITAS EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, 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.

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal assurance reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

COMMUNITAS EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COMMUNITAS EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <http://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 charitable company's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and the charitable company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

Louise Hallsworth FCA (Senior Statutory Auditor)
For and on behalf of Baxter & Co
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 20 December 2021

COMMUNITAS EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COMMUNITAS EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 3 January 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Communitas Education Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Communitas Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Communitas Education Trust's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

COMMUNITAS EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO COMMUNITAS EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Review of some key financial control procedures;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of internal scrutiny implemented by the Academy Trust in order to comply with its obligations under 3.1 of the Academies Financial Handbook 2020, issued by the ESFA.
- Consideration of compliance with the 'musts' in the Academies Financial Handbook.

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 period 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baxter & Co
Independent Reporting Accountants
Chartered Certified Accountants
Lynwood House
Crofton Road
Orpington
Kent
BR6 8QE

Dated: 20 December 2021

COMMUNITAS EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted funds	Restricted funds:		Total 2021	Restated Total 2020 as restated
	Notes	£'000	General	Fixed asset	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	14	7	31	52	850
Charitable activities:						
- Funding for educational operations	4	136	9,895	-	10,031	9,573
Other trading activities	5	61	-	-	61	42
Investments	6	-	-	-	-	2
Total		<u>211</u>	<u>9,902</u>	<u>31</u>	<u>10,144</u>	<u>10,467</u>
Expenditure on:						
Raising funds	7	3	-	-	3	3
Charitable activities:						
- Educational operations	9	-	10,518	695	11,213	10,898
Total	7	<u>3</u>	<u>10,518</u>	<u>695</u>	<u>11,216</u>	<u>10,901</u>
Net income/(expenditure)		208	(616)	(664)	(1,072)	(434)
Transfers between funds	17	-	(162)	162	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(777)	-	(777)	(340)
Net movement in funds		208	(1,555)	(502)	(1,849)	(774)
Reconciliation of funds						
Total funds brought forward		<u>328</u>	<u>(4,737)</u>	<u>45,624</u>	<u>41,215</u>	<u>41,989</u>
Total funds carried forward		<u>536</u>	<u>(6,292)</u>	<u>45,122</u>	<u>39,366</u>	<u>41,215</u>

COMMUNITAS EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information Year ended 31 August 2020 As restated	Notes	Unrestricted funds £'000	Restricted funds: General Fixed asset £'000 £'000		Restated Total 2020 £'000
Income and endowments from:					
Donations and capital grants	3	-	61	789	850
Charitable activities:					
- Funding for educational operations	4	166	9,407	-	9,573
Other trading activities	5	42	-	-	42
Investments	6	2	-	-	2
Total		<u>210</u>	<u>9,468</u>	<u>789</u>	<u>10,467</u>
Expenditure on:					
Raising funds	7	-	3	-	3
Charitable activities:					
- Educational operations	9	-	10,249	649	10,898
Total	7	<u>-</u>	<u>10,252</u>	<u>649</u>	<u>10,901</u>
Net income/(expenditure)		210	(784)	140	(434)
Transfers between funds	17	-	32	(32)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(340)	-	(340)
Net movement in funds		210	(1,092)	108	(774)
Reconciliation of funds					
Total funds brought forward		<u>118</u>	<u>(3,645)</u>	<u>45,516</u>	<u>41,989</u>
Total funds carried forward		<u>328</u>	<u>(4,737)</u>	<u>45,624</u>	<u>41,215</u>

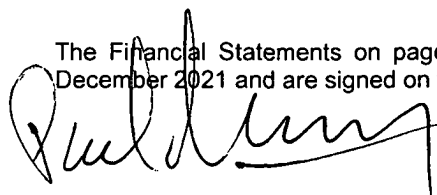
COMMUNITAS EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		44,726		44,800
Current assets					
Debtors	14	513		827	
Cash at bank and in hand		996		1,016	
		1,509		1,843	
Current liabilities					
Creditors: amounts falling due within one year	15	(480)		(419)	
Net current assets			1,029		1,424
Net assets excluding pension liability			45,755		46,224
Defined benefit pension scheme liability	19		(6,389)		(5,009)
Total net assets			39,366		41,215
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			45,122		45,624
- Restricted income funds			97		272
- Pension reserve			(6,389)		(5,009)
Total restricted funds			38,830		40,887
Unrestricted income funds	17		536		328
Total funds			39,366		41,215

The Financial Statements on pages 20 to 46 were approved by the Trustees and authorised for issue on 16 December 2021 and are signed on their behalf by:



P Marray
Chair of Trustees

Company Number 08791046

COMMUNITAS EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

		2021		2020 as restated	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	20		570		(194)
Cash flows from investing activities					
Dividends, interest and rents from investments		-		2	
Adjustment of Capital grants from DfE Group		31		789	
Purchase of tangible fixed assets		(621)		(119)	
Net cash (used in)/provided by investing activities			(590)		672
Net (decrease)/increase in cash and cash equivalents in the reporting period			(20)		478
Cash and cash equivalents at beginning of the year			1,016		538
Cash and cash equivalents at end of the year			996		1,016

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

1.1 Basis of preparation

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 Financial Statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

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

Grants

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are 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.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £5,000) 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 that require 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. Where tangible fixed assets have been acquired / funded by other income, the fixed asset fund is also credited. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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

Leasehold land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 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. 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. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 Pensions 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 and the liabilities are held separately from those of the Academy Trust.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 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 funders where the asset acquired or created is held for a specific purpose.

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

1.12 Agency Arrangements

Where the Academy Trust acts as agent in collecting and / or distributing from the ESFA or others, and subsequent disbursements are excluded from the Statement of Financial Activities as the Trust does not have control over charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 25.

2 Critical accounting estimates and areas of judgement

Accounting 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.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

2 Critical accounting estimates and areas of judgement

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Academy Trust's Financial Statements.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Capital grants	-	31	31	789
Other donations	14	7	21	61
	<u>14</u>	<u>38</u>	<u>52</u>	<u>850</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	7,019	7,019	6,911
Other DfE / ESFA grants:				
- UIFSM	-	137	137	176
- Pupil premium	-	679	679	631
- Start up grants	-	-	-	76
- Others	-	626	626	625
	-	8,461	8,461	8,419
Other government grants				
Local authority grants	-	1,039	1,039	943
Special educational projects	-	3	3	-
	-	1,042	1,042	943
COVID-19 additional funding (DfE / ESFA)				
Catch-up premium	-	76	76	-
Other DfE / ESFA COVID-19 funding	-	147	147	18
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus job retention scheme grant	-	3	3	-
Other COVID-19 funding	-	115	115	-
	-	341	341	18
Other funding				
Catering income	25	-	25	29
Other incoming resources	111	51	162	164
	136	51	187	193
Total funding	136	9,895	10,031	9,573

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the Academy Trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding".

- The funding received for coronavirus exceptional support covers £147k of 'Other DfE/ESFA Covid additional costs'.
- The Academy Trust furloughed some of its music teaching staff under the government's Coronavirus job retention scheme. The funding received of £3k relates to staff costs in respect of 1 staff.
- The funding received for meal vouchers covers £115k of 'Other non DfE/ESFA Covid additional costs'.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Restated Total 2020 £'000
Hire of facilities	46	-	46	24
Income from facilities and services	15	-	15	18
	<u>61</u>	<u>-</u>	<u>61</u>	<u>42</u>

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Short term deposits	<u>-</u>	<u>-</u>	<u>-</u>	<u>2</u>

7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2021 £'000	Total 2020 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	3	-	-	3	3
Academy's educational operations					
- Direct costs	7,123	556	265	7,944	7,591
- Allocated support costs	1,559	693	1,017	3,269	3,307
	<u>8,685</u>	<u>1,249</u>	<u>1,282</u>	<u>11,216</u>	<u>10,901</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

7 Expenditure

Net income/(expenditure) for the year includes:	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	11	10
- Other services	10	10
Depreciation of tangible fixed assets	695	649
Net interest on defined benefit pension liability	85	76
	<u> </u>	<u> </u>

8 Central services

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

- Leadership and CEO strategies;
- Pupil data;
- Financial management;
- Audit;
- Legal, and
- HR and payroll

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

- amount per pupil (£245 per pupil)

The amounts charged during the year were as follows:	2021 £'000	2020 £'000
John Keats Primary School	26	37
John Donne Primary School	105	121
Goose Green Primary & Nursery School	85	100
Childeric Primary School	98	110
	<u> </u>	<u> </u>
	314	368
	<u> </u>	<u> </u>

9 Charitable activities

	2021 £'000	2020 £'000
All from restricted funds:		
Direct costs		
Educational operations	7,944	7,591
Support costs		
Educational operations	3,269	3,307
	<u> </u>	<u> </u>
	11,213	10,898
	<u> </u>	<u> </u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

	2021	Restated 2020
Analysis of costs	£'000	£'000
Direct costs		
Teaching and educational support staff costs	7,123	6,779
Staff development	31	43
Depreciation	556	519
Technology costs	-	1
Educational supplies and services	166	146
Examination fees	-	5
Educational consultancy	-	3
Other direct costs	68	95
	<u>7,944</u>	<u>7,591</u>
Support costs		
Support staff costs	1,041	989
Defined benefit pension scheme - staff costs (FRS102 adjustment)	518	560
Staff development	1	-
Depreciation	139	130
Technology costs	59	51
Maintenance of premises and equipment	80	171
Cleaning	168	141
Energy costs	157	87
Rent, rates and other occupancy costs	114	208
Insurance	25	25
Security and transport	10	17
Catering	295	340
Defined benefit pension scheme - finance costs (FRS102 adjustment)	85	76
Legal costs	1	13
Other support costs	558	479
Governance costs	18	20
	<u>3,269</u>	<u>3,307</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	5,978	5,755
Social security costs	594	556
Pension costs	1,200	1,130
Defined benefit pension scheme - staff costs (FRS102 adjustment)	518	560
Staff costs - employees	8,290	8,001
Agency staff costs	395	330
	<u>8,685</u>	<u>8,331</u>

Staff numbers

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

	2021 Number	2020 Number
Teachers	63	63
Administration and support	119	119
Management	16	16
	<u>198</u>	<u>198</u>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021 Number	2020 Number
Teachers	63	63
Administration and support	83	88
Management	16	16
	<u>162</u>	<u>167</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

Higher paid staff

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

	2021 Number	2020 Number
£60,000 - £70,000	4	2
£70,001 - £80,000	2	2
£90,001 - £100,000	1	2
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £723,708 (2020: £591,421).

11 Trustees' remuneration and expenses

None of the Trustees have been paid remuneration.

During the year ended 31 August 2021, no travel and subsistence expenses (2020: £nil) were reimbursed to Trustees (2020: 0 Trustee).

12 Trustees' and officers' insurance

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

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

13 Tangible fixed assets

	Leasehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost				
At 1 September 2020	45,839	399	274	46,512
Additions	-	97	524	621
At 31 August 2021	45,839	496	798	47,133
Depreciation				
At 1 September 2020	1,339	274	99	1,712
Charge for the year	484	145	66	695
At 31 August 2021	1,823	419	165	2,407
Net book value				
At 31 August 2021	44,016	77	633	44,726
At 31 August 2020	44,500	125	175	44,800

The net book value of Leasehold Land is included above at £23,096k.

The lease term for the land and buildings are 125 years.

14 Debtors

	2021 £'000	2020 £'000
VAT recoverable	99	55
Other debtors	2	
Prepayments and accrued income	412	772
	513	827

15 Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	119	62
Other creditors		91
Accruals and deferred income	361	266
	480	419

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Deferred income

	2021 £'000	2020 £'000
Deferred income is included within:		
Creditors due within one year	103	100
	<hr/>	<hr/>
Deferred income at 1 September 2020	100	147
Released from previous years	(100)	(147)
Resources deferred in the year	103	100
	<hr/>	<hr/>
Deferred income at 31 August 2021	103	100

Deferred income relates to Universal Infant Free School Meals of £68k (2020: £88k), Schools Direct Funds of £11k (2020: £12k), and Other income of £24k (2020: £nil).

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	272	7,019	(7,032)	(162)	97
UIFSM	-	137	(137)	-	-
Pupil premium	-	679	(679)	-	-
Other DfE / ESFA grants	-	722	(722)	-	-
Catch-up premium	-	95	(95)	-	-
Other DfE / ESFA COVID-19 funding	-	147	(147)	-	-
Other government grants	-	1,045	(1,045)	-	-
Other restricted funds	-	58	(58)	-	-
Pension reserve	(5,009)	-	(603)	(777)	(6,389)
	<u>(4,737)</u>	<u>9,902</u>	<u>(10,518)</u>	<u>(939)</u>	<u>(6,292)</u>
Restricted fixed asset funds					
Inherited on conversion	44,541	-	(523)	-	44,018
DfE group capital grants	898	31	(25)	-	904
Capital expenditure from GAG and other funds	185	-	(147)	162	200
	<u>45,624</u>	<u>31</u>	<u>(695)</u>	<u>162</u>	<u>45,122</u>
Total restricted funds	<u>40,887</u>	<u>9,933</u>	<u>(11,213)</u>	<u>(777)</u>	<u>38,830</u>
Unrestricted funds					
General funds	328	211	(3)	-	536
Total funds	<u>41,215</u>	<u>10,144</u>	<u>(11,216)</u>	<u>(777)</u>	<u>39,366</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academy.

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets £44,726k (2020: £44,800k) plus the unspent element of Capital funds £396k (2020: £1,079k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at the period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	368	6,911	(7,039)	32	272
Start up grants	-	76	(76)	-	-
Pupil premium	-	635	(635)	-	-
Other DfE / ESFA grants	-	797	(797)	-	-
Other government grants	-	961	(961)	-	-
Other restricted funds	20	88	(108)	-	-
Pension reserve	(4,033)	-	(636)	(340)	(5,009)
	<u>(3,645)</u>	<u>9,468</u>	<u>(10,252)</u>	<u>(308)</u>	<u>(4,737)</u>
Restricted fixed asset funds					
Transfer on conversion	45,066	-	(525)	-	44,541
DfE group capital grants	236	789	(21)	(106)	898
Capital expenditure from GAG and other funds	214	-	(103)	74	185
	<u>45,516</u>	<u>789</u>	<u>(649)</u>	<u>(32)</u>	<u>45,624</u>
Total restricted funds	<u>41,871</u>	<u>10,257</u>	<u>(10,901)</u>	<u>(340)</u>	<u>40,887</u>
Unrestricted funds					
General funds	118	210	-	-	328
Total funds	<u>41,989</u>	<u>10,467</u>	<u>(10,901)</u>	<u>(340)</u>	<u>41,215</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

Total funds analysis by academy

	2021 £'000	2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
John Keats Primary School	135	157
John Donne Primary School	571	345
Goose Green Primary & Nursery School	(244)	(92)
Childeric Primary School	148	46
Central services	23	144
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	633	600
Restricted fixed asset fund	45,122	45,624
Pension reserve	(6,389)	(5,009)
	<hr/>	<hr/>
Total funds	39,366	41,215
	<hr/>	<hr/>

Goose Green Primary is carrying a net deficit of £244k due to a fall in pupil numbers. The academy trust is joining the NEST Education Trust as an action to returning the academy to surplus.

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
John Keats Primary School	697	152	28	328	1,205	1,100
John Donne Primary School	2,096	577	44	607	3,324	3,247
Goose Green Primary & Nursery School	1,852	352	31	530	2,765	2,556
Childeric Primary School	2,200	442	55	405	3,102	3,058
Central services	278	36	8	(200)	122	291
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,123	1,559	166	1,670	10,518	10,252
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	44,726	44,726
Current assets	536	575	396	1,507
Creditors falling due within one year	-	(478)	-	(478)
Defined benefit pension liability	-	(6,389)	-	(6,389)
Total net assets	536	(6,292)	45,122	39,366
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	44,800	44,800
Current assets	328	691	824	1,843
Creditors falling due within one year	-	(419)	-	(419)
Defined benefit pension liability	-	(5,009)	-	(5,009)
Total net assets	328	(4,737)	45,624	41,215

19 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 London Boroughs of Southwark and Lewisham. Both are multi-employer defined benefit schemes.

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

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 the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer 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. The 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 the TPS in the period amounted to £810k (2020: £747k).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 19% to 24% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Academy 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.

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	395	383
Employees' contributions	134	132
Total contributions	529	515

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.60 to 4.10	2.90 to 3.70
Rate of increase for pensions in payment/inflation	2.60 to 2.90	2.20
Discount rate for scheme liabilities	1.65 to 1.70	1.70
CPI inflation	2.60 to 2.90	2.20

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

	2021 Years	2020 Years
Retiring today		
- Males	20.9 to 21.4	20.8 to 20.9
- Females	23.7 to 24.0	23.5 to 23.6
Retiring in 20 years		
- Males	22.8	22.2 to 22.7
- Females	25.6 to 25.8	24.8 to 25.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2021 £'000	2020 £'000
Discount rate + 0.1%	12,032	9,308
Discount rate - 0.1%	12,752	9,874
Mortality assumption + 1 year	12,859	9,946
Mortality assumption - 1 year	11,917	9,237
Salary rate + 0.1%	12,413	9,609
Salary rate - 0.1%	12,363	9,567
Pensions rate + 0.1%	12,717	9,845
Pensions rate - 0.1%	12,067	9,337

Defined benefit pension scheme net liability	2021 £'000	2020 £'000
Scheme assets	5,999	4,579
Scheme obligations	(12,388)	(9,588)
Net liability	(6,389)	(5,009)

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

The Academy Trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	3,793	2,808
Government bonds	416	319
Corporate bonds	748	644
Cash	175	102
Property	686	557
Other assets	181	149
Total market value of assets	<u>5,999</u>	<u>4,579</u>

The actual return on scheme assets was £882,000 (2020: £91,000).

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	913	943
Interest income	(82)	(81)
Interest cost	167	157
Total operating charge	<u>998</u>	<u>1,019</u>

Changes in the present value of defined benefit obligations	2021 £'000
At 1 September 2020	9,588
Current service cost	913
Interest cost	167
Employee contributions	134
Actuarial loss	1,577
Benefits paid	9
At 31 August 2021	<u>12,388</u>

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

Changes in the fair value of the Academy Trust's share of scheme assets

	2021 £'000
At 1 September 2020	4,579
Interest income	82
Actuarial gain	800
Employer contributions	395
Employee contributions	134
Benefits paid	9
At 31 August 2021	5,999

20 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £'000	2020 £'000
Net expenditure for the reporting period (as per the statement of financial activities)	(1,072)	(434)
Adjusted for:		
Capital grants from DfE and other capital income	(31)	(789)
Investment income receivable	-	(2)
Defined benefit pension costs less contributions payable	518	560
Defined benefit pension scheme finance cost	85	76
Depreciation of tangible fixed assets	695	649
Decrease/(increase) in debtors	316	(305)
Increase in creditors	59	51
Net cash provided by/(used in) operating activities	570	(194)

21 Analysis of changes in net funds

	1 September 2020 £'000	Cash flows £'000	31 August 2021 £'000
Cash	1,016	(20)	996

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the Financial Statements	287	1,000

At 31 August 2021, the Goose Green Primary School was committed to completing Windows project with total expected costs of £774k. Costs of £487k were incurred during the year, with anticipated costs to completion as at 31 August 2021 of £287k.

23 Related party transactions

No related party transactions took place in the period of account [other than certain Trustees' remuneration and expenses already disclosed in note 11.

24 Members' liability

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

25 Agency arrangements

The Academy Trust acts as "Banker School" for a consortium of teacher training organisations. In this role it distributes teacher training funds to other members of the consortium as an agent for the DfE. In the accounting period ending 31 August 2021 the Trust had an unspent balance brought forward of £12k (2020: £44k), received £163k (2020: £206k) of such funds in its role as agent and £153k (2020: £238k) was disbursed. The balance held at 31 August 2021 of £10k (2020: £12k) is included within deferred income, creditors due within one year.

26 Prior year adjustment

Allocation of income and expenditure to appropriate headings was considered following the reclassifications in the Academies Accounts Direction 2020/2021 and the ESFA chart of accounts. The allocation of income and expenditure in the prior year has been amended in order for the two years to be comparable. There was no impact on the reported surplus for the year, reserves at year end or on any balance sheet items.

27 Prior period adjustment

	Notes	1 September 2019 £'000	31 August 2020 £'000
Reconciliation of funds			
Funds as previously reported		41,989	41,470
Adjustments arising:			
CIF accrued income		-	(255)
Funds as restated		41,989	41,215

COMMUNITAS EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

27 Prior period adjustment

Reconciliation of net income/(expenditure) for the previous financial period	Notes	2020 £'000
Net expenditure as previously reported		(179)
Adjustments arising:		
CIF accrued income		(255)
Net expenditure as restated		<u>(434)</u>

Notes to restatement

A prior period adjustment affected the figures reported for the comparative period for funds and net income as follows, £255k of accrued income for CIF has been reduced in the prior year figures.