

**Company Registration Number: 07565242** (England and Wales)

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**



**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**CORNWALL EDUCATION LEARNING TRUST  
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**REFERENCE AND ADMINISTRATIVE DETAILS**

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**Members**

A Phillips (resigned 8 June 2019)  
K Simkins (resigned 15 April 2019)  
I Taylor  
M Cooper (resigned 8 November 2019)  
J Mustoe  
D Hobbs (appointed 1 November 2019)  
N Warren (appointed 1 November 2019)

**Trustees**

J K Barnard (resigned 31 August 2019)<sup>1</sup>  
Janet Beldon (appointed 16 July 2019, resigned 22 November 2019)  
JE Childs (appointed 16 July 2019)  
M Cooper, Chair (resigned 8 November 2019)  
J Knights (appointed 16 July 2019)  
S Netherton (resigned 14 June 2019)  
K M Pearce, Vice Chair (resigned 8 November 2019)<sup>1</sup>  
J L Seyler (resigned 8 January 2019)  
J S Simeons  
G J Slater  
R Van De Velde (resigned 31 August 2019)  
AG Brown, Chair (appointed 8 November 2019)  
SM Dixon (appointed 8 November 2019)  
AS Mann (appointed 8 November 2019)  
JS Parker (appointed 8 November 2019)  
KS Pinell (appointed 8 November 2019)

<sup>1</sup> Audit Committee

**Company registered  
number**

07565242

**CORNWALL EDUCATION LEARNING TRUST  
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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<b>Company name</b>	Cornwall Education Learning Trust
<b>Principal and registered office</b>	Unit 18 St Austell Business Park Treverbyn Road St Austell Cornwall PL25 4FD
<b>Company secretary</b>	A Keast
<b>Accounting officer</b>	P Towe (resigned 31 August 2019) L Mannall (appointed 1 September 2019)
<b>Senior management team</b>	R Baker, Principal (Penrice) P F Towe (resigned 31 August 2019) S Pollard, Headteacher (Carclaze) C N Bunting, Headteacher (Mount Charles) L Mannall, Accounting Officer K Siculo, Headteacher (Fowey) S Gynn, Headteacher (Mevagissey) and Executive Headteacher (Luxulyan) N Simmonds, Headteacher (Lostwithiel) J Gerrish, Chief Financial Officer & Interim COO

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
<b>Bankers</b>	Lloyds Bank St Austell Cornwall PL25 5AZ
<b>Solicitors</b>	Veale Wasbrough Vizards LLP Narrow Quay House Narrow Quay Bristol BS1 4QA
<b>Actuary</b>	Hyman Robertson LLP 20 Waterloo Street Glasgow G2 6DB

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2019**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operated seven primary academies and two secondary academies in the St Austell Bay area of Cornwall. Its academies have a combined pupil capacity of 4,260 and had a roll of 3,900 in the school census on 4 October 2019.

On the 1 November 2019, the Academy Trust merged with Newquay Education Trust adding two additional secondary schools and junior school meaning the Academy Trust currently operates; twelve schools, four secondary, seven primary and one junior and giving an increased combined pupil capacity of 7,244 and a number on roll of 6,873 based on census data from census on 4 October 2019.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Cornwall Education Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Cornwall Education Learning Trust.

The Academy Trust was formally known as Peninsula Learning Trust and changed its name on 1 August 2019 ahead of a merger with Newquay Education Trust, an Academy Trust based in North Cornwall coast. Details of the Trustees who served during the year, and to the date of these accounts are approved, are included in the Reference and Administrative Details on pages 1 to 3.

**Members' liability**

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

**Trade union facility time**

**Relevant union officials**

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

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time** £

Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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**CORNWALL EDUCATION LEARNING TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Trustees' Indemnities**

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors and omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5 million on any one claim.

**TRUSTEES**

**Method of Recruitment and Appointment or Election of Trustees**

When appointing new Trustees, consideration is given by the Board to the skills and experience mix of existing Trustees in order to ensure that the board has the necessary skills to contribute fully to the development of the Academy Trust.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

All new trustees meet the Chief Executive Officer (CEO) and Chief Operations Officer (COO) following their appointment and should receive an induction pack of documentation from the Governance Officer. This includes the Articles of Association, Code of Conduct, Conflicts of Interests Policy, Scheme of Delegation, Terms of Reference, Academies Financial Handbook and Governor's Handbook.

Following the merger of Cornwall Education Learning Trust and Newquay Education Trust on 1 November 2019, a programme of joint training for both Trustees and Governors will be developed. This programme is likely to include: induction to the Academy Trust; introduction to governance; safeguarding; understanding data; Ofsted inspections; monitoring; data protection; special education needs (SEN); early years foundation stage; and the working with parents. Priorities for training will be identified through skills and training audits and other evaluation procedures at both individual and board level.

**Organisational Structure**

The governance structure of the Academy Trust consists of members, the board of Trustees, the local governing bodies (LGBs), the audit committee and the Academy Trust executive leadership team (ELT). Following the recent merger of Cornwall Education Learning Trust and Newquay Education Trust, the structure of the governance will be reviewed and additional committees will be appointed. This work to ensure efficient and effective governance of the trust will form part of the initial workload for the newly appointed joint Board of Trustees.

The Academy Trust currently has and will continue to have five members who meet at least twice a year. The members will appoint the majority of Trustees.

The board has historically been made up of eight Trustees – four appointed by the members and four co-opted by the board. This number has been increased to ten following the merger with an agreement to increase the number up to twelve if additional skills are identified as a requirement in the initial period following the merger. This decision is so as to ensure a full complement of skills across the board. In addition, the board has previously had two associate Trustees who are members of the audit committee but have no board voting rights. The new board may also have associate directors with specific responsibilities who again will have no voting rights.

Historically the board has an audit committee and, in addition, there is an LGB for each academy. Membership of each LGB consists of the headteacher, an elected staff governor, two parent governors (appointed or elected) plus board appointed governors. Moving forwards there will be additional committees and LGB's will continue.

The Academy Trust has a scheme of delegated authority for governance and the audit committee and LGB have terms of reference which clearly define the split of responsibilities between management (CEO, COO, headteachers) and governance (board, chairs, committees, LGBs, ad hoc panels, individual trustees and governors). Following the merger of the two trusts the scheme of delegation and terms of reference will be reviewed and amended so as to meet the requirements of the newly amalgamated Academy Trust.

**CORNWALL EDUCATION LEARNING TRUST  
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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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The Academy Trust employs a Governance Officer with responsibility for the administration of meetings, record keeping and all governance-related documentation.

The CEO (known as the Academy Trust Lead) is the Accounting Officer.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trustees consider the board and the ELT (at the individual schools and in the central team) to be the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

**Related Parties and other Connected Charities and Organisations**

There is no related parties which control or significantly influence the decisions and operations of the Cornwall Education Learning Trust.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Academy Trust is to advance the education of their pupils, in particular by establishing, maintaining, managing and developing Academies, and offering a broad range of curriculum for pupils of different abilities.

The goal of the Academy Trust is to develop collaborative approaches that drive improvements in outcomes and the overall quality of each pupil's experience. Headteachers and staff know that they are all part of one team working towards achieving all of the goals for the whole Academy Trust. No matter which academy a particular pupil is in they should have a fantastic experience, individual and unique to that academy, but with a visible commitment to the core values of the Academy Trust. The Academy Trust achieves this by having clear goals and expectations, great central support and structures for functions not directly related to teaching and learning and an ethos of sharing good practice between Academies.

Governance of the Academy Trust will support those goals, with Trustees focused on strategic priorities and managing risk and with the LGBs focused on standards of teaching and learning and the quality of the individual pupil's experience at the Academy level. Recruitment to both levels of governance will be based on skills, experience or specialist knowledge. Members will instil our core values and evaluate overall impact of the Academy Trust on the wider community.

**Objectives, Strategies and Activities**

Key priorities for the 2019/20 year include:

- Improving the experience for each and every child at the Academies within the Academy Trust;
- Improving the attainment and progress of each child educated within the Academy Trust;
- Ensuring quality first teaching in all lessons;
- Ensuring that the gaps in attainment and progress between those children entitled to Pupil Premium and their peers are in line with, or better than, national averages;
- Securing pupil attendance of at least 96%, with less than 10% persistent absence;
- Ensuring effective and seamless transition between all key phases of learning;
- Ensuring the proportion of pupils achieving "Greater Depth" is at national levels or above, through a Trust-wide programme of provision for the most able pupils; and
- Implementing and managing the changes associated with the bringing together two successful Academy Trusts at school level and within the central functions.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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Shaping the future

The prime focus of this plan is to secure significant improvements in both Academy Trust performance and business efficiency. In the longer term the Academy Trust is strongly committed to:

- Embedding a culture of continuous improvement that leads to all the Academy Trust's pupils gaining an excellent education, all Trust Academies being judged outstanding and all aspects of the Academy Trust's business being exemplary; and
- Establishing strong links with partner organisations, including neighbouring Academy Trusts, the local authority and the Regional Schools Commissioner, to help create a collaborative infrastructure that serves the needs of local pupils, families and communities.

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

**STRATEGIC REPORT**

**Achievements and Performance**

The Academy Trust is in its fifth year of operation. The total number of pupils at 31 August 2018 was 3,250 and this has increased to 3,900 in September 2019, then to 6,873 following the merger on 1 November 2019.

To ensure that standards are assessed, each Academy within the Academy Trust employs a robust and challenging performance management programme that is both supportive and rigorous. Each Academy undertakes internal and external reviews, focusing predominately on pupil outcomes. As part of this process all academies undertake peer to peer reviews, not only to moderate standards but also to share good practice. CPD plays a major part in improving each academy and the Academy Trust works together, and also with external partners, to deliver a wide ranging programme on improving two key areas: teaching and learning, and leadership.

The Academy Trust primary schools have joined the Kernow Teaching School Alliance (KTSA), a committed and principled group of people working collaboratively to share knowledge and expertise in order to support quality training and professional development across their partner trusts. This alliance will improve school challenge, achieve the best value for money and have a positive impact on the life chances of the children and young people within the Academy Trust.

Achievements at Specific Academies

**Penrice Academy**

- Penrice continues to offer a special learning environment that encourages students to celebrate success. From sports team to drama productions and the amazing opportunities Curriculum Enhancement Week offers they have celebrated their highest ever attendance figures - students really do enjoy coming to the school.
- The Summer results have once again exceeded their expectations and have improved on the amazing outcomes they achieved last Summer. This has been a fantastic team effort.
- Penrice recorded strong GCSE results with a P8 score of +0.5.
- 75% (69% in 2018) of students achieved 4+ GCSE's in English and maths (4+EM)
- 51% (47% in 2018) of students achieved 4+ GCSE's in English and maths (4+EM)

**St Mewan CP School**

- Both inside and outside of the classroom the academy's focus is always on developing the whole child and giving every pupil the opportunity to shine.
- Academically, their focus was very much on maths and they were delighted with the improvement this

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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year as 87% of our Y6 pupils reached the expected standard in maths compared to 79% nationally and 70% in 2018.

- Key Stage 1 data was again above national and they were particularly pleased with the improvement in the percentage of children working at 'Greater Depth' in KS1 as this had been another main area of development for the school.
- In Spring 2019 they were reaccruited with 'Dyslexia Friendly Status', receiving an incredibly positive report from the assessment team.
- Outside of the classroom they had sporting success with their football teams winning a total of 6 trophies over the season; their Hockey and Tag rugby teams were St. Austell Champions, their Y5 Boy's Swim Team won Gold medals at the County Championships and they won the 'Cotton Cup' cycling competition in the spring – a first for the school!
- Musically, the academy continued to build on previous successes with the Y5/6 Choir winning Radio Cornwall's Christmas competition, singing at a concert in Truro Cathedral that was broadcast on Christmas Day, and also becoming County Champions in March.
- The Academy is also excited about the new additions we made to the school in the form of our Pastoral Team – Mr Jon Evison, Pastoral Support Manager and Honey, their Therapy Dog. This has been necessary due to the rapidly increasing need to support children's mental health in primary schools. Both team members are already proving to be invaluable to their pupils and are based in the new Nurture Room – a safe space pupils can access throughout the day.

**Carclaze CP School**

- Year 3/4 football team have won the first ever County championship final.
- Carclaze teachers triumphed at the walking football tournament against other teams from St Austell.
- Carclaze collaborated with St Austell schools for the Invisible worlds concert at Eden project.
- County Early Years lead is sending teachers to view the Carclaze foundation stage for its excellent practice.
- Tom Hobbs as SLE in Maths, is working with Penrice on using mixed ability teaching in Year 7 which will benefit our practice in KS2.
- Carclaze undertook a number of successful residentials including Year 6 visit to London. External advisors have noted positive responses to this trip in children's cultural knowledge and understanding.
- A member of the office staff is delivering support to a school outside the Academy Trust due to her expertise in ParentPay.

**Mevagissey CP School**

- Mevagissey Primary School have had another successful year with in the end of key stage results that the children have achieved.
- All results are in line or above national averages and children have made good progress from Key Stage 1 to Key Stage 2.
- For the first time children from the school (Years 5 & 6) visited the Houses of Parliament and met Sir Michael Grade who told them about his role as a lord in the House of Lords.
- The school also played a part in the visit of Prince Charles to Mevagissey harbour.

**Fowey Primary School**

- The academy introduced their Project Based Curriculum, teaching children across their school how to run their own restaurant, manage a budget, navigate the night sky and recreated the Great Fire of London on their playground!
- The academy took 38 children to London for the first ever residential trip out of Cornwall.
- They were delighted with their fantastic EYFS and KS1 outcomes, with 92% of children achieving at least the required standard in reading at the end of KS1 and 81% of children achieving a good level of development across the foundation stage.

**Lostwithiel School**

- SATS attainment was significantly above national for the second year in a row.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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- The Year 6 performance of Macbeth was excellent and it is now the third year they have performed Shakespeare.
- Their work with the Truro music hub that culminated in a performance at Eden.

**Luxulyan School**

- The academy celebrated a 100% phonics screening pass rate.
- Luxulyan had the best KS2 results in over 4 years with 80% passing in reading, writing and maths and RWM combined.
- 50% of the children are working at greater depth in reading
- 40% of children are working at greater depth in Maths at KS2
- There were a number of super successful residential for years 3,4,5 and 6 with year 6 visiting the Isles of Scilly for the first time.
- The school re-enacted the great fire of London with the support of the fire service in KS1
- They also performed an outstanding rendition of 'Lion King' for the year 6 leavers performance
- There was success at the choral speaking competition in St. Austell in November
- The school participated in the Eden Project 'One World' dance and music performance with other St. Austell schools

**Mount Charles**

- The academy introduced their new Cornerstones Curriculum, a creative approach built upon a robust framework and proven Reggio Emilia learning philosophy. The approach to each unit includes opportunities for children to engage, develop, innovate and express learning as they move through each imaginative learning project. Children were engaged in a variety of exciting ways throughout the year, for example by, dissecting a pig's heart, being the first on the scene after an alien invasion and welcoming reptiles into the classroom!
- Children took part in an exciting 'Invisible Worlds' creative arts collaboration alongside other schools from within the Academy Trust. They performed an impressive whole class choreography inspired micro-biology; perfecting their performance skills and working together as a team. A memorable experience for all!
- Children from Mount Charles took part in a Blue Peter recording at The Eden Project which aired on CBBC during the summer holidays. The show was centred around caring for the planet and the academy is incredibly proud of the passion their children have for this very important world-wide issue.
- Their incredible swimming team won the St. Austell School's swimming gala again for the 20<sup>th</sup> consecutive year.
- They also reached the School Games Finals with their Swim Team and their Quad Kids Athletics team.
- One of the year 6 girls won the District Cross Country Competition and represented Mount Charles at county level.
- They have seen an increase again this year, in the number of children representing the school at sporting events.
- In Key Stage 1 this has gone up from 35% to 52%.
- In Key Stage 2 it has risen from 75% to 82%.
- The academy welcomed an Ofsted Inspection in May where they were delighted to be judged a 'Good' school. This was a great testament to the dedication and hard work from the Mount Charles team ensuring rapid school improvement over the past three years since converting and joining the Academy Trust.

**Growing the Trust**

The Academy Trust remained the same size throughout this year although, following the year end, there have been two changes in structure firstly with Poltair School joining the Academy Trust on 1 September 2019 and then on the 1 November 2019 with the merger of the Academy Trust with the Newquay based Newquay Education Trust (NET). The merger was approved by the Regional Schools Commissioner in June 2018 and followed the development of close working practices within the two original Academy Trusts both prior to the approval and subsequently.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

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The alignment and embedding of policies across the Academy Trust will be a key focus for 2019/20 academic year. The geographical area of the newly merged Academy Trust covers an area in Mid-Cornwall that runs from the North Cornwall coast to the South with the new Academy Trust providing education for over 7,000 children with ages ranging from 3 to 18.

The Academy Trust will continue to seek opportunities to grow including potential mergers with similarly successful Multi Academy Trusts, Free School Applications and sponsorship or re-brokering of individual schools.

**Professional Support Services**

The following services are provided to individual academies from a centralised professional services team:

- Finance is a fully centralised function with payments, invoicing, financial management, financial reporting, and strategic financial planning supplied by a team of professionals based centrally and working in individual schools to process transactions.
- HR is a fully centralised function delivered by a central team and supported by an external consultant. Schools currently work with the local policies used in their original Academy Trusts whilst a period of consultation and alignment is undertaken to ensure HR policies are common across the Academy Trust and training is delivered to maintain consistency across the schools.
- IT is fully centralised with two teams of technicians working within schools to deliver operational support with strategic development overseen within the central service.
- Estates and Facilities is a partially centralised function with operational site management based in schools and overseen by a central team employee. The Health and Safety function across schools is supported by an external Service Level Agreement. Each academy has been subject to a health and safety gap analysis and has subsequently developed an action plan to implement improvements, coordinated through the central team. Capital work is funded via School Conditioning Allocation (SCA) as the Academy Trust exceeds five academies and 3,000 pupils.

**Performance**

**Secondary - Penrice Academy**

The table below shows results for Penrice Academy. The results are compared to national results for comparison.

Results for attainment, progress and Maths and English level 5+ are above the national average.

	Penrice	National
Progress 8	+0.49	-0.03
Attainment 8	52.8	46.5
Grade 5 or above in English and maths GCSEs	51.1%	43.0%
EBacc average point score	4.44	4.06
Staying in education or entering employment	93%	94%

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

**Primary**

The table below shows the percentage of children in each academy reaching or exceeding the required standard of tests taken at the end of Key Stage 1 (KS1) and Key Stage 2 (KS2):

	EYFSP % GLD	Y1 Phonics	KS1 % expected and above			KS2 % expected and above			
			Reading	Writing	Maths	RWM	Reading	Writing	Maths
National	71.5%	82%	75%	70%	76%	65%	73%	78%	79%
Carclaze	73%	88%	72%	68%	75%	65%	77%	78%	83%
Fowey	81%	76%	92%	79%	88%	56%	61%	83%	78%
Lostwithiel	76%	84%	83%	77%	83%	81%	100%	81%	93%
Luxulyan	75%	100%	53%	41%	53%	80%	80%	80%	80%
Mevagissey	73%	96%	81%	81%	81%	67%	71%	81%	86%
Mount Charles	71%	85%	69%	64%	69%	52%	59%	73%	70%
St Mewan	73%	87%	88%	83%	87%	63%	73%	83%	87%
Average	73.7%	87%	93%	77%	71%	63%	73%	79%	82%

Averaged across all CELT primary schools, attainment at and above the Expected standard in the 2019 statutory assessments is typically slightly above national results. The two exceptions are both at KS2, where combined reading, writing and maths (RWM) is 2% below national results; and where reading is in line with national results.

Averaged across all CELT primary schools, results at the Expected standard improved in 2019 on the EYFSP, for Year 1 Phonics and for Key Stage 2 maths; but fell for all subjects at Key Stage 1 and for all subjects except maths at Key Stage 2.

Averaged across all CELT primary schools, results for Pupil Premium (Disadvantaged) children fell in 2019 and are below national results for Pupil Premium children, with the exception of Y1 Phonics where results improved and are above national results for Non-Pupil Premium children.

Averaged across All CELT primary schools, results at the Higher standard improved in 2019 at KS1, but fell for all subjects except writing at KS2. Average Trust results at the Higher standard are typically below national results, except for reading at KS1 and writing at KS2. (pp.8-9)

**Key Performance Indicators**

A number of KPI's are measured and reported both at school level and Academy Trust level. These include:

- Staff costs/income %
- Teachers costs/lagged pupil numbers
- Education support costs/lagged pupil numbers
- Premises staff/lagged pupil numbers
- Admin staff per lagged pupil numbers
- Pupils per class
- Revenue reserves/GAG %
- Curriculum spend/ income %
- Admin costs/ income %
- Revenue surplus or (deficit)/income %

As funding is based on pupil numbers this is also a Key Performance Indicator.

**Going Concern**

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

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**FINANCIAL REVIEW**

**Financial Review**

The Academy Trust's accounting period is the year to 31 August 2019.

Most of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure is shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Restricted Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2019, the Academy Trust received total income of £17,843,342 and incurred total expenditure of £17,592,868. The surplus/deficit of income over expenditure for the year was therefore £250,474.

At 31 August 2019 the net book value of fixed assets was £32,198,139 and movements in tangible fixed assets are shown in Note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff. The deficit is incorporated within the Statement of Financial Activities with details in Note 28 to the financial statements.

**Reserves Policy**

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

The trustees have determined that the appropriate level of free reserves should be 10% of annual GAG, which is £1,374,869. This is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Total reserves of the Academy Trust amount to £30,430,937. Some £33,157,697 represents fixed assets or non-GAG restricted funds. An additional deficit reserve of £4,984,000 is held in respect of the Local Government Pension Scheme. The remaining £2,257,240 is the balance that the trustees monitor in accordance with the Board's reserves policy.

The amount currently held in the reserve is higher than 10% of GAG. This is to provide funds for future capital expenditure. Some of the excess reserves have been allocated to support specific capital expenditure. The Academy Trust's reserves policy is reviewed annually.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the academy trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

**Investment Policy**

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds from the current account to a deposit account. Longer term savings accounts are used to provide an income stream for reserves not required to support working capital.

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**Principal Risks And Uncertainties**

The Board adopted a risk management strategy during 2015, which sets out the Academy Trust's approach to risk management and is continuing to embed risk management in practice throughout the Academy Trust. The audit committee reviews the arrangements in place to manage risk and the board reviews the strategic risks.

The principle risks and uncertainties facing the Academy Trust are set out below.

Failing to improve or maintain standards of teaching and learning, specifically in the areas of:

**Key Stage 1 outcomes:**

- In the 2018/19 academic year, outcomes aggregated across all 7 primary academies, were above national averages in all areas. There were particular strengths in writing which was 7% above the national average.

**Key Stage 2 maths:**

- Maths continues to be a focus area for the Academy Trust. Aggregated attainment results for the 7 primary academies were 1% below the national figure.

**Key Stage 2 attainment:**

- Attainment at the end of KS2, was in line with national figures, being slightly above in reading and writing and 1% below national figures in mathematics. Progress measures in 2 of the 7 primary academies were below national figures in all three areas and improving this aspect is a key focus in 2018/19 as is improving progress in mathematics which was not as strong as in the other areas.

**OFSTED inspections:**

- Two of the Academy Trust's primary schools are likely to be Ofsted inspected in the 2019/20 academic year, maintaining current standards is a priority for the schools and Academy Trust.

**Key Stage 4 P8 progress:**

- P8 progress was well above the national figure. This was also the case in English. Further improving progress for the disadvantaged group is a focus in 2019/20.

Failure to put in place appropriate safeguarding arrangements that leads to risk to the welfare or care of a pupil.

The future sustainability of the Trust, which includes:

- the uncertainty over future funding and balancing the Academy Trust's budget while maintaining the quality of provision;
- a focused growth strategy and falling rolls as a result of competition; and
- ensuring sufficient leadership capacity to support academies requiring improvement

**FUNDRAISING**

The Academy Trust allows its academies to raise funds where appropriate to enhance the learning experience enjoyed by the pupil's and students within the Academy Trust. Each Academy selects the method of fundraising most appropriate to their own location and circumstances. Fundraising events within the Academy Trust are generally low key and internal and do not involve commercial participants or professional fundraisers. Funds received from such events are subject to the financial regulations and procedures of the organisation.

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**PLANS FOR FUTURE PERIODS**

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The main areas of focus for 2019/20 are:

- Securing Academy improvement to improve outcomes for pupils;
- Improving attainment and progress in all Academies across the Academy Trust;
- Focus resource on the schools where is most needed to improve outcomes for children;
- Recruit, retain, deploy and develop staff to inspire and motivate pupils;
- Demonstrate strong accountability, effective leadership and good governance;
- Deploy collective resources in a way that maximises the benefit to pupils;
- Continuing to grow the Academy Trust in a controlled manner;
- Align and integrate policies and procedures following the merger with Newquay Education Trust; and
- Improving safeguarding arrangements across the Academy Trust.

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

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

**EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED**

The Academy Trust guarantees that an interview will be offered to all disabled applicants meeting the minimum criteria defined for the advertised roles.

Consistency and fairness is a key factor in building and maintaining effective employee relations across the Academy Trust. It is therefore essential for the Academy Trust to provide a mechanism for staff to feedback/comment/raise issues. A working group was brought together in 2015/16 to represent staff in each academy within the Academy Trust. The working group consisted of the CEO, elected staff governors, representing teaching and support staff, and an HR Advisor. During the year 2017/18 a staff forum has been formed to continue this work.

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on \_\_\_\_\_ and signed on its behalf by:

19 DECEMBER 2019

AG Brown



**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

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

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
J K Barnard	5	8
Janet Beldon	0	0
JE Childs	0	0
M Cooper, Chair	8	8
J Knights	0	0
S Netherton	3	6
K M Pearce, Vice Chair	8	8
J L Seyler	0	3
J S Simeons	8	8
G J Slater	7	8
R Van De Velde	5	8
AG Brown, Chair	0	0
SM Dixon	0	0
AS Mann	0	0
JS Parker	0	0
KS Pinell	0	0

The Audit Committee is a committee of the main board of Trustees. Its responsibilities include:

- To review the Academy Trust's annual report and financial statements in order to recommend to the board their approval or otherwise. To receive the external auditors' report and review any actions or judgements;
- To receive management reports on the effectiveness of the systems for internal financial control and monitor compliance;
- To approve policies and procedures relating to internal control;
- To monitor the effectiveness of the risk management processes and procedures;
- To appoint, receive reports and recommendations from internal audit and to agree the internal audit annual plan; and
- To appoint, receive reports and recommendations from external audit and to oversee the external audit annual plan.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Jeremy Barnard	1	3
Kevin Pearce	3	3

The Audit Committee is supported in its work by two additional Associate Directors who attend meetings and offer expertise but who are not part of the main Board of Trustees. These Associate Directors are David Bray and Darren Perry.

The composition of the board continues to be based on skills with an emphasis on ensuring the skill set of trustees offers a robust and fully skilled board able to support and challenge the Senior Management Team within the Academy Trust. The board has three new directors this year; one has specialist knowledge of communications and PR, another specialist knowledge in change management and the final additional has specialist knowledge in finance.

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**GOVERNANCE (CONTINUED)**

The following resignations were received throughout the year:

J Seyler, (resigned 08/01/2019)  
S Netherton, (resigned 14/06/2019)  
J Barnard, (resigned 31/08/2019)  
R Van De Velde (resigned 31/08/2019)  
M Cooper, (resigned 08/11/19)  
J Beldon, (resigned 22/11/2019)  
KM Pearce, (resigned 08/11/2019)

The number of board meetings per year has remained at eight. Agendas for the board, the Executive Leadership Team and the LGB Chairs are aligned so the whole organisation is focused on common goals at the same point in time. Communication between the various tiers of governance continues to improve with joint training sessions and a continued focus on governance throughout the year. With the merger of Cornwall Education Learning Trust and Newquay Education Trust, additional training has been delivered across both Academy Trusts and at all levels of governance.

The board received financial data in the form of budget forecasts, prepared by a qualified accountant and reviewed in monthly meetings with the trustee with financial responsibility, also a qualified accountant. The monthly budget monitoring documentation is shared with the Chair and the Vice Chair at the time it is prepared and the reports are later formally presented in board meetings to the full board.

Academy data is provided by the headteachers using an externally developed system for measurement and management of progress and attainment. The results are validated by the consultant to give assurance of content to the board.

The secondary school within the Academy Trust worked closely with secondary schools in Newquay Education Trust under the framework of a school improvement board. Additionally, the secondary schools form a wider network in the form of a school alliance which includes secondary schools across Cornwall and this alliance works to offer challenge and share knowledge and good practice. The primary schools are part of the Kernow Teaching School Alliance (KTSA) which is an alliance of schools working collaboratively to share knowledge and expertise to develop outstanding practitioners and achieve the best possible outcomes for children within their organisations. The provides validation of school data via challenge partners and regular reviews.

**Governance Review**

Cornwall Education Learning Trust and Newquay Education Trust had planned to merge on 1 September 2019 and, in order to ensure the skills of the trustees within the newly amalgamated trust were appropriate, existing Trustees of both Academy Trusts were asked to declare interest in being on the board of Cornwall Education Learning Trust. Following the declarations of interest and a self-assessment of individual skills sets, a summary was produced to highlight and specific areas where additional knowledge would be beneficial and recruitment of Trustees with these specific skill sets was undertaken.

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management.
- Value for money purchasing.
- Reviewing controls and managing risk.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

**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 Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Cornwall Education Learning Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

**CAPACITY TO HANDLE RISK**

The Board of Trustees has reviewed the key risks to which the Academy Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**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 Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- 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 Cornwall Council as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems and non-financial systems. This information is fed back via a report to the audit committee, who in turn report to the Board.

The findings were reported to the audit committee and recommendations tracked. In particular, the checks carried out in 2018/19 included:

Testing the control environment in respect of financial management including:

- Budget setting;
- Financial management of the trust in line with financial regulations and delegated responsibility;
- Monitoring and reporting;
- Income and expenditure;
- Propriety of spend;
- Virements; and,
- Reserves and investments

Additional tests in non-financial areas were completed this year and included:

Human Resources – Recruitment including:

- Assessing the effectiveness of recruitment arrangements;
- Reviewing the processes for dealing with starters and leavers; and,
- Establishing the existence of key HR policies and procedures
- Review and assess risk management procedures across the Academy Trust
- Review and assess the merger management process

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)**

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**REVIEW OF EFFECTIVENESS**

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

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

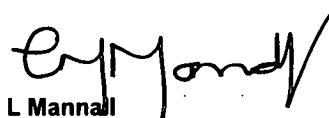
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

19 DECEMBER 2019

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



**G Brown**  
Trustee



**L Mannall**  
Accounting Officer

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**


**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As accounting officer of Cornwall Education Learning Trust I have considered my responsibility to notify the Academy Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Academy 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 2018.

I confirm that I and the Academy Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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.

  
**L Mannall**  
Accounting Officer  
Date: 19 DECEMBER 2019

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2019**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 19 DECEMBER 2019 and signed on its behalf by:

**AG Brown**



**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CORNWALL EDUCATION LEARNING TRUST**

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**OPINION**

We have audited the financial statements of Cornwall Education Learning Trust (the 'Trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education and Skills Funding Agency.

*In our opinion the financial statements:*

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

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

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CORNWALL EDUCATION LEARNING TRUST (CONTINUED)**

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**OTHER INFORMATION**

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

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

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

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

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

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
CORNWALL EDUCATION LEARNING TRUST (CONTINUED)**

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**RESPONSIBILITIES OF TRUSTEES**

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

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

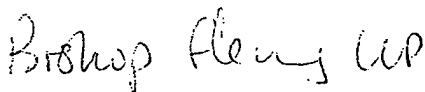
**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

**USE OF OUR REPORT**

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



**Pamela Tuckett FCA DChA (Senior statutory auditor)**

for and on behalf of  
**Bishop Fleming LLP**

Chartered Accountants  
Statutory Auditors

Salt Quay House  
4 North East Quay  
Sutton Harbour  
Plymouth

PL4 0BN

Date: 20 DECEMBER 2019

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CORNWALL  
EDUCATION LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 16 September 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Cornwall Education Learning Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF CORNWALL EDUCATION LEARNING TRUST'S  
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Cornwall Education Learning Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 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.

**CONCLUSION**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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*Bishop Fleming LLP*

**Pamela Tuckett FCA DChA (Reporting Accountant)**

**Bishop Fleming LLP**

Date: *20 DECEMBER 2019*.

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>						
Donations and capital grants	4	68,677	79,845	1,356,935	1,505,457	1,210,106
Charitable activities	5	807,215	15,443,578	-	16,250,793	15,973,764
Teaching schools		3,570	40,000	-	43,570	252,684
Other trading activities		29,020	-	-	29,020	39,613
Investments	8	14,502	-	-	14,502	5,173
<b>TOTAL INCOME</b>		<b>922,984</b>	<b>15,563,423</b>	<b>1,356,935</b>	<b>17,843,342</b>	<b>17,481,340</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		658,240	16,013,541	877,823	17,549,603	17,729,292
Teaching schools		-	43,264	-	43,264	234,026
<b>TOTAL EXPENDITURE</b>		<b>658,240</b>	<b>16,056,805</b>	<b>877,823</b>	<b>17,592,868</b>	<b>17,963,318</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>264,744</b>	<b>(493,382)</b>	<b>479,112</b>	<b>250,474</b>	<b>(481,978)</b>
Transfers between funds	21	(317,880)	132,885	184,995	-	-
<b>NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)</b>		<b>(53,136)</b>	<b>(360,497)</b>	<b>664,107</b>	<b>250,474</b>	<b>(481,978)</b>
<b>OTHER RECOGNISED GAINS/(LOSSES):</b>						
Actuarial losses on defined benefit pension schemes	28	-	(1,635,000)	-	(1,635,000)	1,163,000
<b>NET MOVEMENT IN FUNDS RECONCILIATION OF FUNDS:</b>		<b>(53,136)</b>	<b>(1,995,497)</b>	<b>664,107</b>	<b>(1,384,526)</b>	<b>681,022</b>
Total funds brought forward		2,310,376	(2,825,857)	32,330,944	31,815,463	31,134,441
Net movement in funds		(53,136)	(1,995,497)	664,107	(1,384,526)	681,022
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>2,257,240</b>	<b>(4,821,354)</b>	<b>32,995,051</b>	<b>30,430,937</b>	<b>31,815,463</b>

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

The notes on pages 31 to 61 form part of these financial statements.

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07565242**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2019**

	Note	2019 £	2018 £
<b>FIXED ASSETS</b>			
Tangible assets	16	32,198,139	31,403,303
		<u>32,198,139</u>	<u>31,403,303</u>
<b>CURRENT ASSETS</b>			
Debtors	17	885,796	702,278
Cash at bank and in hand		3,981,330	4,141,235
		<u>4,867,126</u>	<u>4,843,513</u>
Creditors: amounts falling due within one year	18	(1,650,328)	(1,495,563)
<b>NET CURRENT ASSETS</b>		<b>3,216,798</b>	<b>3,347,950</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>35,414,937</b>	<b>34,751,253</b>
Creditors: amounts falling due after more than one year	19	-	(790)
<b>NET ASSETS EXCLUDING PENSION LIABILITY</b>		<b>35,414,937</b>	<b>34,750,463</b>
Defined benefit pension scheme liability	28	(4,984,000)	(2,935,000)
<b>TOTAL NET ASSETS</b>		<b>30,430,937</b>	<b>31,815,463</b>
<b>FUNDS OF THE ACADEMY TRUST</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	32,995,051	32,330,944
Restricted income funds	21	162,646	109,143
		<u>33,157,697</u>	<u>32,440,087</u>
Restricted funds excluding pension asset	21	33,157,697	32,440,087
Pension reserve	21	(4,984,000)	(2,935,000)
<b>Total restricted funds</b>	21	<b>28,173,697</b>	<b>29,505,087</b>
<b>Unrestricted income funds</b>	21	<b>2,257,240</b>	<b>2,310,376</b>
<b>TOTAL FUNDS</b>		<b>30,430,937</b>	<b>31,815,463</b>

The financial statements on pages 28 to 61 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

AG Brown



19 DECEMBER 2019

The notes on pages 31 to 61 form part of these financial statements.

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 AUGUST 2019**

	<b>Note</b>	<b>2019 £</b>	<b>2018 £</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net cash provided by/(used in) operating activities	23	<b>72,679</b>	(174,902)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	25	<b>(237,041)</b>	(26,537)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	24	<b>4,457</b>	5,173
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(159,905)</b>	(196,266)
Cash and cash equivalents at the beginning of the year		<b>4,141,235</b>	4,337,501
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	26	<b>3,981,330</b>	<b>4,141,235</b>

The notes on pages 31 to 61 form part of these financial statements

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**1. GENERAL INFORMATION**

Cornwall Education Learning Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Unit 18, St Austell Business Park, Treverbyn Road, Caclaze, St Austell, PL25 4FD.

**2. 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.

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

**2.2 GOING CONCERN**

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**2. ACCOUNTING POLICIES (continued)**

**2.3 INCOME**

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

**2.4 EXPENDITURE**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 INTEREST RECEIVABLE**

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

**2. ACCOUNTING POLICIES (continued)**

**2.6 TAXATION**

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

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

**2.7 TANGIBLE FIXED ASSETS**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- Land over term of lease and property 2% straight line
Furniture and equipment	- 25% straight line
Computer equipment	- 33% straight line

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

**2.8 DEBTORS**

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

**2.9 CASH AT BANK AND IN HAND**

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

**2. ACCOUNTING POLICIES (continued)**

**2.10 LIABILITIES**

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

**2.11 FINANCIAL INSTRUMENTS**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**2.12 OPERATING LEASES**

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

**2. ACCOUNTING POLICIES (continued)**

**2.13 PENSIONS**

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

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

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

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

**2.14 FUND ACCOUNTING**

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

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

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

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

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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:

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

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**4. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Donations	68,677	79,845	<b>148,522</b>	77,635
Capital Grants	-	1,356,935	<b>1,356,935</b>	1,132,471
	<u>68,677</u>	<u>1,436,780</u>	<u><b>1,505,457</b></u>	<u>1,210,106</u>
<b>TOTAL 2018</b>	<u>70,635</u>	<u>1,139,471</u>	<u><b>1,210,106</b></u>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Income from charitable activities - Education	662,930	15,443,578	<b>16,106,508</b>	15,849,487
Income from charitable activities - Nursery	144,285	-	<b>144,285</b>	124,277
<b>TOTAL 2019</b>	<u>807,215</u>	<u>15,443,578</u>	<u><b>16,250,793</b></u>	<u>15,973,764</u>
<b>TOTAL 2018</b>	<u>775,066</u>	<u>15,198,698</u>	<u><b>15,973,764</b></u>	

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**6. FUNDING FOR THE ACADEMY TRUST'S EDUCATION**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
<b>DFE/ESFA GRANTS</b>				
General Annual Grant	-	13,748,687	<b>13,748,687</b>	13,721,824
Other DfE Group grants	-	1,435,618	<b>1,435,618</b>	1,226,225
Other Government grants	-	255,114	<b>255,114</b>	213,475
Catering	94,760	-	<b>94,760</b>	69,309
Other Income	568,170	4,159	<b>572,329</b>	618,654
	<u>662,930</u>	<u>15,443,578</u>	<u><b>16,106,508</b></u>	<u>15,849,487</u>
<b>TOTAL 2018</b>	<u>653,819</u>	<u>15,195,668</u>	<u><b>15,849,487</b></u>	

**7. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Lettings	26,100	<b>26,100</b>	31,055
Other	2,920	<b>2,920</b>	8,558
<b>TOTAL 2019</b>	<u>29,020</u>	<u><b>29,020</b></u>	<u>39,613</u>

All prior year figures relate to unrestricted funds.

**8. INVESTMENT INCOME**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Investment income	<u>14,502</u>	<u><b>14,502</b></u>	<u>5,173</u>

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**9. EXPENDITURE**

	<b>Staff Costs</b> <b>2019</b> <b>£</b>	<b>Premises</b> <b>2019</b> <b>£</b>	<b>Other</b> <b>2019</b> <b>£</b>	<b>Total</b> <b>2019</b> <b>£</b>	<b>Total</b> <b>2018</b> <b>£</b>
<b>EDUCATION:</b>					
Direct costs	11,550,309	791,487	1,505,520	<b>13,847,316</b>	14,083,611
Allocated support costs	1,269,698	1,242,802	1,114,367	<b>3,626,867</b>	3,553,177
<b>NURSERY:</b>					
Direct costs	71,945	-	3,431	<b>75,376</b>	80,358
Allocated support costs	-	45	-	<b>45</b>	12,123
Teaching school	17,692	-	25,572	<b>43,264</b>	234,049
	<u>12,909,644</u>	<u>2,034,334</u>	<u>2,648,890</u>	<u><b>17,592,868</b></u>	<u>17,963,318</u>
<b>TOTAL 2018</b>	<u><u>13,294,766</u></u>	<u><u>1,694,653</u></u>	<u><u>2,973,899</u></u>	<u><u><b>17,963,318</b></u></u>	

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities</b> <b>undertaken</b> <b>directly</b> <b>2019</b> <b>£</b>	<b>Support</b> <b>costs</b> <b>2019</b> <b>£</b>	<b>Total</b> <b>funds</b> <b>2019</b> <b>£</b>	<b>Total</b> <b>funds</b> <b>2018</b> <b>£</b>
Education	13,847,316	3,626,867	<b>17,474,183</b>	17,729,292
Nursery	75,376	45	<b>75,421</b>	-
	<u>13,922,692</u>	<u>3,626,912</u>	<u><b>17,549,603</b></u>	<u>17,729,292</u>
<b>TOTAL 2018</b>	<u><u>14,163,992</u></u>	<u><u>3,565,300</u></u>	<u><u><b>17,729,292</b></u></u>	

**CORNWALL EDUCATION LEARNING TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of direct costs**

	<b>Education 2019 £</b>	<b>Nursery 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension costs	70,000	-	<b>70,000</b>	70,500
Staff costs	11,361,825	71,945	<b>11,433,770</b>	11,634,556
Depreciation	810,106	-	<b>810,106</b>	785,542
Educational supplies	482,448	3,431	<b>485,879</b>	502,809
Examination fees	110,408	-	<b>110,408</b>	119,629
Staff development	83,455	-	<b>83,455</b>	87,082
Other costs	545,445	-	<b>545,445</b>	472,261
Supply teachers	145,742	-	<b>145,742</b>	219,013
Technology costs	237,887	-	<b>237,887</b>	272,600
	<b>13,847,316</b>	<b>75,376</b>	<b>13,922,692</b>	<b>14,163,992</b>
<b>TOTAL 2018</b>	<b>14,163,992</b>	<b>80,358</b>	<b>14,163,992</b>	

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**10. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Education 2019 £</b>	<b>Nursery 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Pension income	17,000	-	17,000	23,500
Staff costs	1,293,432	-	1,293,432	1,301,009
Depreciation	67,717	-	67,717	97,101
Teaching school support costs	-	-	-	10,143
Recruitment and support	37,761	-	37,761	41,730
Maintenance of premises and equipment	497,663	45	497,708	521,278
Cleaning	362,660	-	362,660	283,265
Rent and rates	167,044	-	167,044	162,814
Energy costs	209,039	-	209,039	189,397
Insurance	90,011	-	90,011	86,051
Security and transport	24,648	-	24,648	42,274
Catering	358,429	-	358,429	316,161
Technology costs	25,970	-	25,970	28,026
Office overheads	458,471	-	458,471	439,247
Bank interest and charges	6,584	-	6,584	7,717
Governance	10,438	-	10,438	15,587
	<u>3,626,867</u>	<u>45</u>	<u>3,626,912</u>	<u>3,565,300</u>
<b>TOTAL 2018</b>	<u>3,553,177</u>	<u>12,123</u>	<u>3,565,300</u>	

During the year ended 31 August 2019, the Academy Trust incurred the following Governance costs £10,438 (2018: £15,587). Included within governance costs are any costs associated with the strategic as opposed to day-to-day management of the Academy Trust's activities. These costs will include any employee benefits for trusteeship, the cost of staff involved in meetings with trustees, the cost of any administrative support provided to the trustees, and costs relating to constitutional and statutory requirements including audit and preparation of statutory accounts.

**CORNWALL EDUCATION LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**11. Net income /expenditure**

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	58,259	53,066
Depreciation of tangible fixed assets	877,823	882,643
Internal audit costs	9,080	8,410
Fees paid to auditors for:		
- audit	11,950	11,650
- other services	3,525	4,689
	<u>11,950</u>	<u>11,650</u>
	<u>3,525</u>	<u>4,689</u>

**12. STAFF COSTS**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	9,690,243	9,702,805
Social security costs	896,443	899,376
Pension costs	2,144,426	2,311,112
	<u>12,731,112</u>	<u>12,913,293</u>
Agency staff costs	154,798	219,013
Staff restructuring costs	23,734	162,460
	<u>12,909,644</u>	<u>13,294,766</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	56,236
Severance payments	23,734	-
Other restructuring costs	-	106,224
	<u>23,734</u>	<u>162,460</u>

**b. NON-STATUTORY/NON-CONTRACTUAL STAFF SEVERANCE PAYMENTS**

Included in staff restructuring costs were non-statutory/non-contractual restructuring payments totalling £19,882 (2018: £106,224). Individual payments were: £3,852, £11,500 and £4,530.

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**12. STAFF COSTS (CONTINUED)**

**c. STAFF NUMBERS**

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

	<b>2019 No.</b>	<b>2018 No.</b>
Management	8	8
Teachers	198	193
Admin	236	259
	<b>442</b>	<b>460</b>

The average headcount expressed as full-time equivalents was:

	<b>2019 No.</b>	<b>2018 No.</b>
Management	8	8
Teachers	174	173
Admin	150	162
	<b>332</b>	<b>343</b>

**d. HIGHER PAID STAFF**

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

	<b>2019 No.</b>	<b>2018 No.</b>
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	-

**e. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Academy Trust comprise trustees (who do not receive remuneration for their role as trustees) and the senior management team as listed on page 2. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Academy Trust was £687,928 (2018: £675,819).

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**13. CENTRAL SERVICES**

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

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

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

The full costs of the provision of central services, net of income received centrally, is recharged to the academies proportionally at a flat rate of 4.8% (2018: 4.8%) of GAG income.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Penrice	334,539	338,635
St Mewan	68,734	69,834
Carclaze	71,289	71,834
Mevagissey	24,702	22,345
Fowey	31,298	30,522
Lostwithiel	29,011	31,708
Luxulyan	20,839	20,223
Mount Charles	74,887	77,747
<b>TOTAL</b>	<b>655,299</b>	<b>662,848</b>

**14. TRUSTEES' REMUNERATION AND EXPENSES**

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 August 2019, expenses totalling £1,438 were reimbursed or paid directly to 4 Trustees (2018 - £577 to one Trustee).

**15. TRUSTEES' AND OFFICERS' INSURANCE**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £1,352 (2018 - £1,301). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**16. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>					
At 1 September 2018	34,119,844	406,301	920,584	3,520	35,450,249
Additions	1,508,259	107,760	56,640	-	1,672,659
At 31 August 2019	35,628,103	514,061	977,224	3,520	37,122,908
<b>DEPRECIATION</b>					
At 1 September 2018	3,053,840	259,156	730,430	3,520	4,046,946
Charge for the year	645,712	89,648	142,463	-	877,823
At 31 August 2019	3,699,552	348,804	872,893	3,520	4,924,769
<b>NET BOOK VALUE</b>					
At 31 August 2019	31,928,551	165,257	104,331	-	32,198,139
At 31 August 2018	31,066,004	147,145	190,154	-	31,403,303

**17. DEBTORS**

	2019 £	2018 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	31,903	29,704
Other debtors	184,972	194,052
Prepayments and accrued income	668,921	478,522
	885,796	702,278

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**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Salix loans	790	790
Trade creditors	322,525	375,922
Other creditors	402,286	409,864
Accruals and deferred income	924,727	708,987
	<u>1,650,328</u>	<u>1,495,563</u>

Included within Salix loans is a Salix Energy Efficiency Fund (SEEF) loan of £790 repayable in six-monthly instalments over 1 year with an applicable annual interest rate of 0%.

	2019 £	2018 £
<b>DEFERRED INCOME</b>		
Deferred income at 1 September 2018	190,191	161,657
Resources deferred during the year	164,761	190,191
Amounts released from previous periods	(190,191)	(161,657)
	<u>164,761</u>	<u>190,191</u>

Deferred income in 2019 and 2018 represents UIFSM grants, school trip and other payments received in advance.

**19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Salix loan	-	790
	<u>-</u>	<u>790</u>

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FOR THE YEAR ENDED 31 AUGUST 2019**

**20. FINANCIAL INSTRUMENTS**

	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>FINANCIAL ASSETS</b>		
Financial assets measured at amortised cost	<b>492,685</b>	267,173
	<u><u>492,685</u></u>	<u><u>267,173</u></u>
	<b>2019</b>	2018
	<b>£</b>	<b>£</b>
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<b>(1,278,847)</b>	(1,091,859)
	<u><u>(1,278,847)</u></u>	<u><u>(1,091,859)</u></u>

Financial assets measured at amortised cost comprise of trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise of trade creditors, other creditors and accruals.

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**21. STATEMENT OF FUNDS**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>						
General funds	<u>2,310,376</u>	<u>922,984</u>	<u>(658,240)</u>	<u>(317,880)</u>	<u>-</u>	<u>2,257,240</u>
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant	-	13,748,686	(13,878,307)	129,621	-	-
Pupil Premium	25,428	764,107	(769,355)	-	-	20,180
High Needs	841	194,515	(190,793)	-	-	4,563
PE & Sports Grant	40,247	127,380	(139,138)	-	-	28,489
Donations	3,969	79,847	(83,816)	-	-	-
Universal infant free school meals	-	254,598	(254,598)	-	-	-
Rates relief	38,658	69,099	(66,854)	-	-	40,903
Teachers Pay Grant	-	120,934	(120,934)	-	-	-
Year 7 catchup grant	-	19,500	(19,500)	-	-	-
Start Up Grant	-	80,000	(12,289)	-	-	67,711
Other LA grants	-	60,599	(60,599)	-	-	-
Other restricted funds	-	44,157	(46,621)	3,264	-	800
Pension reserve	(2,935,000)	-	(414,000)	-	(1,635,000)	(4,984,000)
	<u>(2,825,857)</u>	<u>15,563,422</u>	<u>(16,056,804)</u>	<u>132,885</u>	<u>(1,635,000)</u>	<u>(4,821,354)</u>

**CORNWALL EDUCATION LEARNING TRUST**  
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**FOR THE YEAR ENDED 31 AUGUST 2019**

**21. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	26,194,171	-	(533,955)	-	-	25,660,216
Fixed assets purchased from GAG	1,229,070	-	(146,298)	454,170	-	1,536,942
Condition improvement fund	977,530	-	(24,171)	(564)	-	952,795
School condition allocation	1,543,599	859,131	(79,510)	(172,014)	-	2,151,206
LA capital funding	368,765	270,678	(14,306)	(6,440)	-	618,697
Healthy pupil capital funding	40,891	-	(746)	(3,888)	-	36,257
Devolved formula capital	230,191	227,126	(38,823)	(85,279)	-	333,215
Private sector capital sponsorship	20,499	-	(1,292)	(990)	-	18,217
Academies Capital Maintenance Fund	1,726,228	-	(38,722)	-	-	1,687,506
	<u>32,330,944</u>	<u>1,356,935</u>	<u>(877,823)</u>	<u>184,995</u>	<u>-</u>	<u>32,995,051</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>29,505,087</u>	<u>16,920,357</u>	<u>(16,934,627)</u>	<u>317,880</u>	<u>(1,635,000)</u>	<u>28,173,697</u>
<b>TOTAL FUNDS</b>	<u>31,815,463</u>	<u>17,843,341</u>	<u>(17,592,867)</u>	<u>-</u>	<u>(1,635,000)</u>	<u>30,430,937</u>

**CORNWALL EDUCATION LEARNING TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. STATEMENT OF FUNDS (CONTINUED)**

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

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

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

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

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

Fixed assets purchased from GAG and other restricted funds.

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

Private sector capital sponsorship - This fund represents the net book value of assets funded by private sector capital and the balance of unspent funds, totalling £18,217 as at 31 August 2019.

During the year, transfers totalling £185,001 were made from GAG to restricted fixed assets.

**Total funds analysis by academy**

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Central	119,590	41,406
Penrice Academy	1,137,096	1,417,675
St Mewan	317,067	207,265
Carclaze	184,892	156,252
Mevagissey	98,162	99,598
Fowey	31,990	29,308
Lostwithiel	49,109	52,139
Luxulyan	149,933	155,568
Mount Charles	332,047	260,308
Total before fixed asset funds and pension reserve	2,419,886	2,419,519
Restricted fixed asset fund	32,995,051	32,330,944
Pension reserve	(4,984,000)	(2,935,000)
<b>TOTAL</b>	<b>30,430,937</b>	<b>31,815,463</b>

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**21. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL COST ANALYSIS BY ACADEMY**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Central	421,208	359,924	-	622,502	<b>1,403,634</b>	1,112,674
Penrice Academy	5,215,653	533,861	344,791	1,122,787	<b>7,217,092</b>	7,301,492
St Mewan	1,227,674	96,367	66,396	271,382	<b>1,661,819</b>	1,741,082
Carclaze	1,268,430	89,178	41,105	256,786	<b>1,655,499</b>	1,830,255
Mevagissey	408,483	41,850	14,789	113,049	<b>578,171</b>	570,716
Fowey	535,935	65,522	20,641	157,316	<b>779,414</b>	773,641
Lostwithiel	465,834	39,243	24,616	142,031	<b>671,724</b>	759,465
Luxulyan	349,058	39,185	16,115	70,870	<b>475,228</b>	498,210
Mount Charles	1,451,984	95,373	45,109	265,998	<b>1,858,464</b>	1,957,140
<b>ACADEMY TRUST</b>	<b>11,344,259</b>	<b>1,360,503</b>	<b>573,562</b>	<b>3,022,721</b>	<b>16,301,045</b>	<b>16,544,675</b>

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**21. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>UNRESTRICTED FUNDS</b>						
General funds	2,544,114	1,143,171	(1,376,909)	-	-	2,310,376
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant	-	13,721,824	(13,703,887)	(17,937)	-	-
Pupil Premium	89,148	1,226,225	(1,211,040)	-	-	104,333
High Needs	-	216,505	(215,664)	-	-	841
PE & Sports Grant	-	34,144	(34,144)	-	-	-
Donations	-	7,000	(3,031)	-	-	3,969
Pension reserve	(3,562,000)	-	(536,000)	-	1,163,000	(2,935,000)
	<u>(3,472,852)</u>	<u>15,205,698</u>	<u>(15,703,766)</u>	<u>(17,937)</u>	<u>1,163,000</u>	<u>(2,825,857)</u>

**CORNWALL EDUCATION LEARNING TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed assets transferred on conversion	26,826,383	-	(558,463)	(73,749)	-	26,194,171
Fixed assets purchased from GAG	995,367	-	(154,767)	388,470	-	1,229,070
Condition improvement fund	3,106,236	-	(157,641)	649,684	-	3,598,279
School condition allocation	183,184	-	(9,023)	194,604	-	368,765
Healthy pupil capital funding	-	194,603	-	(194,603)	-	-
Devolved formula capital	928,238	937,868	-	(945,946)	-	920,160
Private sector capital sponsorship	23,771	-	(2,749)	(523)	-	20,499
	<u>32,063,179</u>	<u>1,132,471</u>	<u>(882,643)</u>	<u>17,937</u>	<u>-</u>	<u>32,330,944</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>28,590,327</u>	<u>16,338,169</u>	<u>(16,586,409)</u>	<u>-</u>	<u>1,163,000</u>	<u>29,505,087</u>
<b>TOTAL FUNDS</b>	<u><u>31,134,441</u></u>	<u><u>17,481,340</u></u>	<u><u>(17,963,318)</u></u>	<u><u>-</u></u>	<u><u>1,163,000</u></u>	<u><u>31,815,463</u></u>

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**22. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	32,198,139	<b>32,198,139</b>
Current assets	2,322,051	1,478,982	1,066,093	<b>4,867,126</b>
Creditors due within one year	(790)	(1,649,538)	-	<b>(1,650,328)</b>
Provisions for liabilities and charges	-	(4,984,000)	-	<b>(4,984,000)</b>
<b>TOTAL</b>	<b>2,257,240</b>	<b>(4,821,354)</b>	<b>32,995,051</b>	<b>30,430,937</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	31,403,303	<b>31,403,303</b>
Current assets	2,312,851	1,603,021	927,641	<b>4,843,513</b>
Creditors due within one year	(1,685)	(1,493,878)	-	<b>(1,495,563)</b>
Creditors due in more than one year	(790)	-	-	<b>(790)</b>
Provisions for liabilities and charges	-	(2,935,000)	-	<b>(2,935,000)</b>
<b>TOTAL</b>	<b>2,310,376</b>	<b>(2,825,857)</b>	<b>32,330,944</b>	<b>31,815,463</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2019**

**23. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of financial activities)	250,474	(481,978)
<b>ADJUSTMENTS FOR:</b>		
Depreciation	877,823	882,643
Capital grants from DfE and other capital income	(1,435,618)	(1,132,472)
Dividends, interest and rents from investments	(4,457)	(5,173)
Defined benefit pension scheme cost less contributions payable	327,000	442,000
Defined benefit pension scheme finance cost	87,000	94,000
(Increase)/decrease in debtors	(183,519)	(191,729)
Increase in creditors	153,976	217,807
<b>NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES</b>	<b>72,679</b>	<b>(174,902)</b>

**24. CASH FLOWS FROM FINANCING ACTIVITIES**

	2019 £	2018 £
Interest	4,457	5,173
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	<b>4,457</b>	<b>5,173</b>

**25. CASH FLOWS FROM INVESTING ACTIVITIES**

	2019 £	2018 £
Purchase of tangible fixed assets	(1,672,659)	(1,159,009)
Capital grants from DfE Group	1,435,618	1,132,472
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(237,041)</b>	<b>(26,537)</b>

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**26. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019 £	2018 £
Cash in hand	3,184,420	3,213,594
Capital funding unspent	796,910	927,641
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>3,981,330</b>	<b>4,141,235</b>

**27. CAPITAL COMMITMENTS**

	2019 £	2018 £
<b>CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS</b>		
Acquisition of tangible fixed assets	60,600	121,832

**28. PENSION COMMITMENTS**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

**TEACHERS' PENSION SCHEME**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

**28. PENSION COMMITMENTS (CONTINUED)**

**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. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. 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 charge)
- 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
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- 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 is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £1,093,025 (2018 - £1,082,192).

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 contribution made for the year ended 31 August 2019 was £883,000 (2018 - £975,000), of which employer's contributions totalled £721,000 (2018 - £807,000) and employees' contributions totalled £ 162,000 (2018 - £168,000). The agreed contribution rates for future years are 16.7 per cent for employers and 5.5 - 12.5 per cent for employees.

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

**CORNWALL EDUCATION LEARNING TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**28. PENSION COMMITMENTS (CONTINUED)**

**Principal actuarial assumptions**

	<b>2019</b>	<b>2018</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>2.40</b>	2.50
Rate of increase for pensions in payment/inflation	<b>2.30</b>	2.40
Discount rate for scheme liabilities	<b>1.80</b>	2.80

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

	<b>2019</b>	<b>2018</b>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>21.1</b>	22.1
Females	<b>23.6</b>	24.5
<i>Retiring in 20 years</i>		
Males	<b>22.3</b>	24.0
Females	<b>25.0</b>	26.4

**Sensitivity analysis**

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

	<b>At 31 August 2019</b>	<b>At 31 August 2018</b>
	<b>£</b>	<b>£</b>
Equities	<b>5,783,000</b>	4,385,000
Corporate Bonds	<b>4,256,000</b>	3,848,000
Property	<b>764,000</b>	626,000
Cash and other liquid assets	<b>109,000</b>	90,000
<b>TOTAL MARKET VALUE OF ASSETS</b>	<b>10,912,000</b>	8,949,000

The actual return on scheme assets was £1,189,000 (2018 - £434,000).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**28. PENSION COMMITMENTS (CONTINUED)**

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

	2019 £	2018 £
Current service cost	1,034,000	(1,208,000)
Past service cost	14,000	(41,000)
Interest income	261,000	202,000
Interest cost	(348,000)	(296,000)
<b>TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES</b>	<b>961,000</b>	<b>(1,343,000)</b>

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>11,884,000</b>	11,208,000
Current service cost	1,034,000	1,208,000
Interest cost	348,000	296,000
Employee contributions	162,000	168,000
Actuarial losses/(gains)	2,563,000	(931,000)
Benefits paid	(109,000)	(106,000)
Past service costs	14,000	41,000
<b>AT 31 AUGUST</b>	<b>15,896,000</b>	11,884,000

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

	2019 £	2018 £
<b>AT 1 SEPTEMBER</b>	<b>8,949,000</b>	7,646,000
Interest income	261,000	202,000
Actuarial gains	928,000	232,000
Employer contributions	721,000	807,000
Employee contributions	162,000	168,000
Benefits paid	(109,000)	(106,000)
<b>AT 31 AUGUST</b>	<b>10,912,000</b>	8,949,000

**CORNWALL EDUCATION LEARNING TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

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**29. OPERATING LEASE COMMITMENTS**

At 31 August 2019 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	60,564	50,556
Later than 1 year and not later than 5 years	113,085	54,402
	<u>173,649</u>	<u>104,958</u>

**30. MEMBERS' LIABILITY**

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

**31. RELATED PARTY TRANSACTIONS**

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

**32. POST BALANCE SHEET EVENTS**

On 1st September 2019 Poltair School joined the Academy Trust. On 1st November 2019 Newquay Education Trust merged with the Academy Trust to continue under the name "Cornwall Education Learning Trust"

**33. AGENCY ARRANGEMENTS**

The Academy Trust distributes bursary funds to students as an agent for NCTL. In the year ending 31 August 2019 the Academy Trust received £ NIL (2018: £375,500) and disbursed £ NIL (2018: £423,392) from the fund. An amount of £ NIL (2018: £13,280) remained unspent and is included in accruals.

**34. CONTROLLING PARTY**

There are no controlling parties.

**CORNWALL EDUCATION LEARNING TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2019**

**35. TEACHING SCHOOL TRADING ACCOUNT**

	2019 £	2019 £	2018 £	2018 £
<b>Income</b>				
<b>DIRECT INCOME</b>				
Grant/Student Income - Tuition fee	40,000		252,000	
<b>OTHER INCOME</b>				
Other income	3,570		684	
<b>TOTAL INCOME</b>		<b>43,570</b>		<b>252,684</b>
<b>Expenditure</b>				
<b>DIRECT EXPENDITURE</b>				
Direct staff costs	17,692		81,093	
<b>OTHER EXPENDITURE</b>				
Other staff costs	9,954		59,095	
Teaching support costs	15,618		64,163	
Other costs	-		29,675	
<b>TOTAL OTHER EXPENDITURE</b>	<b>25,572</b>		<b>152,933</b>	
<b>TOTAL EXPENDITURE</b>		<b>43,264</b>		<b>234,026</b>
<b>Transfers between funds excluding depreciation</b>		<b>(306)</b>		<b>(247,373)</b>
<b>Surplus/(deficit) from all sources</b>		-		<b>(228,715)</b>
<b>Teaching school balances at 1 September 2018</b>		-		<b>228,715</b>
<b>TEACHING SCHOOL BALANCES AT 31 AUGUST 2019</b>		-		<b>-</b>