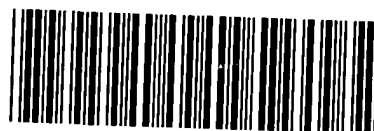


Company registration number 07687709 (England and Wales)

**CRANMER EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

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COMPANIES HOUSE

# CRANMER EDUCATION TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

### Members

Oldham, Henshaw and Church of England Education Trust (Henshaw Trust)  
represented by A Armitage

Chair of Board of Trustees  
represented by J Gregory

Manchester Diocesan Board of Education  
represented by D Smith as the Diocesan Corporate Member  
M Bulmer was appointed by the Diocesan Corporate Member

Reverend P Williamson

### Trustees

J Gregory (Chair of Trust Board)  
J A Hollis (Accounting Officer and Chief Executive Officer of Cranmer Education Trust)  
T Mitchell  
E Moores  
P Winter (Chair of Audit, Risk and Finance Committee)  
M Khan (resigned 15 October 2021)  
S Skidmore (resigned 20 November 2022)  
S Curley  
Reverend J Rosedale  
R Lamb

### Senior Management Team

Chief Executive Officer	J Hollis
Director of Operations/ Chief Operating Officer	C Ellis (Appointed COO 01 May 2022)
Director of Finance	B Harper (Retired 14/08/22)
Financial Accountant/ Chief Financial Officer	A Leighton (appointed CFO 01/06/22)
Principal HR Officer	C Kearns
IT Manager	C Hawes
Business Manager/ Deputy Chief Operating Officer	L Wright (Appointed DCOO 01/06/2022)
Finance Manager	R Minton

### Company Name

Cranmer Education Trust

### Company Registration Number

07687709 (England and Wales)

### Registered Office

Cranmer Education Trust  
The Blue Coat School  
Egerton Street Oldham  
OL1 3SQ

### Academies Operated

Mayfield Primary School  
East Crompton St George's CofE Primary School  
The Blue Coat School  
St Anne's Church of England Academy  
The Brian Clarke Church of England Academy -  
(Opened from 1 Sept 2022)

### Location

Mayfield Road, Oldham, OL1 4LG  
George Street, Oldham, OL2 5AX  
Egerton Street, Oldham, OL1 3SQ  
Hollin Lane Middleton M24 6XN  
c/o Egerton St, Oldham, OL1 3SQ

### Principal

M Couper-Barton  
R Ross  
R Higgins  
C Heyes  
A Ash

# CRANMER EDUCATION TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	RSM UK Audit LLP 3 Hardman Street Manchester M3 3HF
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Bankers	Lloyds TSB Church Street Blackburn BB2 1JQ
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Solicitors	Hill Dickinson 1 St. Paul's Square Old Hall Street Liverpool L3 9SJ
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# **CRANMER EDUCATION TRUST**

## **TRUSTEES' REPORT**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a Directors' report and strategic report under company law.

Cranmer Education Trust is a Multi Academy Trust which offers a broad and balanced curriculum in accordance with the tenets of the Church of England. During the period the Trust operated two secondary and two primary academies.

The secondary academies included are The Blue Coat C of E School for pupils aged 11 to 18 serving a wide catchment area across North East Manchester and the St Annes' Church of England Academy based in Middleton for pupils 11 to 16 serving Middleton and Heywood which joined the Trust on 1 March 2021.

The two primary academies are East Crompton St George's C of E Primary School for pupils aged 4-11 with a local catchment area in Shaw which joined the Trust on 1 September 2015 and Mayfield Primary School for pupils aged 3-11 situated in the Derker area of Oldham which joined the Trust on 1 January 2016.

The Trust's academies have a combined pupil capacity of 3,055 and had roll of 2,928 in the school census of January 2022.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

Cranmer Education 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 Trust.

The Trustees of Cranmer Education Trust are also the Directors of the charitable company for the purposes of company law. The charitable company changed its name from The Blue Coat School to Cranmer Education Trust on 1 May 2015 when the company converted to multi academy trust status.

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

### **Members' Liability**

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

### **Trustees' Indemnities**

The Trust has opted into the Department for Education risk protection arrangement (RPA). This scheme protects trustees and officers from claims arising from negligent acts, errors and omissions occurring while on Trust business and provides unlimited cover.

### **Method of recruitment and appointment or election of Trustees**

All members of the Trust Board are appointed and/or elected in accordance with the Articles of Association.

Trustees (Directors) are recruited by invitation dependent upon their expertise, experience and skills under the following conditions as set out in the Articles of Association as updated effective date 31 October 2019:

- Directors appointed by Members shall not exceed 13
- Directors who are employees including the Chief Executive Officer- number not to exceed one third of total Directors Article 57
- Co-opted Directors -Directors appointed by the Directors under Article 58
- Parent Directors if appointed under Articles 53-56

The Board must comprise of at least three Trustees each with a term of office of 4 years (with the exception of any post held ex officio).

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

### **Policies and procedures adopted for the induction and training of Trustees**

The training and induction provided for new Trustees and local governors depends on their existing experience. Where appropriate, induction training is provided on charitable, educational, legal and financial matters. All are given access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents appropriate to their specific roles through the secure shared knowledge network – GovernorHub.

The Trust will institute training for Directors and local governors on their responsibilities within the Trust and will review its own needs in the light of its experience and responsibilities. These are likely to include:

- training for Directors in relation to their specific areas of oversight within the Trust.
- updates from the Diocesan Board of Education on the responsibilities of Directors and Members of Multi-Academy Trusts with a religious character
- training for Directors on their financial responsibilities, provided by an independent body
- training for Directors on their legal responsibilities and accountabilities as trustees, provided by an independent body
- induction training for new Directors and Governors
- training on the use of GovernorHub for the sharing of documents and information

### **Organisational Structure**

Cranmer Education Trust currently operates a management structure as follows: The Trust Board (including Audit, Risk and Finance Committee, Pay and Personnel Committee, Admissions Committee and Standards Committee), local governance, the Principals of each Academy and the Executive Team of the Trust chaired by the Chief Executive Officer (CEO) who is also the Accounting Officer. The aim of the management structure is to devolve appropriate levels of responsibility to ensure responsive, high quality provision in all our schools. The management structure is set out in the following trust documents, the Scheme of Delegation, the Finance Manuals and Financial Responsibilities Key.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust using data results and budgets and making major decisions about the direction of the Trust, capital expenditure, senior staff appointments and the overall policy framework.

The Trust Board has established Local Governing Committees (LGC) in each academy of the Trust which receive delegated authority from the Trust Board to monitor and advise the Trust Board in relation to the functioning of the Academy under the remit of curriculum policy, safeguarding policy, admissions procedure, receiving and challenging local financial performance, compliance with Trust systems and procedures, appointments below principal level, monitoring and evaluating outcomes for pupils, estate maintenance and health and safety.

The Executive Team headed by the CEO comprised key personnel of the Trust: The Operations Director and the Finance Director supported by the Trust HR Manager, IT, Finance and Business Managers. The team through the CEO was delegated by the Trust Board wide ranging responsibilities to support the work of the Trust to ensure value for money, high standards of educational provision and actions for pupils, and consistent practice especially in areas such as procurement, IT, finance, and facilities.

The Executive Team structure was changed during 2021-22. The Finance Director retired on 14/08/2022 and was replaced with Chief Financial Officer. The Operations Director was promoted to Chief Operating Officer and a Deputy Chief Operating Officer was appointed.

The Strategic Leadership Team, including the Chief Operating Officer and the Principals of each Academy, chaired by the CEO consult on and assist the Trust Board and Executive Team with the development of policy and procedures as a key communication tool for the Trust. The group is not a committee and does not have any formal powers delegated to it by the Trust Board.

During 21-22 the Trust worked on other projects which will affect the organisational structure of the Trust going forward:

- First year of national rollout of teaching school hub delivery for East Manchester Teaching School Hub
- Continued working with DFE to open a Free School in Oldham to be named The Brian Clarke CE Academy, with the first intake in September 2022. The school will initially be in temporary accommodations which have been successfully installed on the Blue Coat School Site, with the permanent site on schedule to be ready for the Summer term of 22/23.

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

- Applied and successfully reaccredited as a SCITT, the new delivery model beginning in 2024/25

### **Arrangements for setting pay and remuneration of key management personnel**

Factors considered in determining the pay and remuneration of key management personnel include the skills required (qualifications and experience), responsibility levels and autonomy. For new posts, benchmarking exercises and research is carried out so that the salaries paid are compatible with other similar posts outside the Trust. Posts within the Trust that have similar requirements are paid at comparable rates. The Trust also ensures that salaries are in line with market requirements as far as possible so that the best staff are recruited and retained, and staff are well motivated.

### **Trade Union Facility Time**

The Trust did not have any relevant Trade Union Officials undertaking facility time in its employment.

### **Related parties and co-operation with other organisations**

The Blue Coat School was designated as a Teaching School Hub, for Oldham and Tameside, in 2021. Nationally there are 87 teaching school hubs, creating a new national infrastructure for teacher and leadership development, this supersedes National Teaching Schools. In addition to the Trusts internal staff, partnerships have been formed with Primary, Secondary and Sixth Form establishments via SLAs. The Teaching School Hub has provided the Early Career Framework (replacing NQT) and related AB services to all new teachers in Oldham and Tameside, alongside NPQ qualifications for further teacher development.

### **Engagement with employees (including disabled persons)**

The Trust has a Trade Union Recognition Agreement and an established and effective Joint Consultation and Negotiation Committee (JCNC), which is well attended by union representatives and meets at least twice per year. All recognised trade unions are represented.

All employees have an annual appraisal in the context of school and Trust priorities. All schools have 2 whole-staff inset days per year, on the same days, so that trust priorities, policy and development can be shared and developed. All schools have a meetings system and other communications mechanisms to support school improvement and staff development. As a very big school (1650+ pupils), Blue Coat also has a staff consultative committee.

People who state they have a disability on job application forms are given an interview for the role if they meet the essential criteria on the job description, they do not have to meet the desirable criteria. The Trust has an Equality Policy which details the support available for disabled employees during their employment at the Trust.

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

Please see Promoting the Success of the Company included in the Strategic report

### **Objectives and activities**

#### **Objects and Aims**

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad, balanced, rich and differentiated curriculum, and which shall include:

- i. Church of England schools conducted in accordance with the principles, practices and tenets of the Church of England particularly in relation to arranging for religious education and daily acts of worship and in accordance with any trust deed governing the use of land used by the relevant Academy and having regard to any advice and following directives issued by the Diocesan Board of Education; and
- ii. other academies with or without a designated religious character,

but in relation to each of the Academies to recognise and support their individual ethos, whether designated as Church of England schools or not.

The Trust is dedicated to serve young people, to help and enable them to become everything they can be and everything that they are meant to be.

## Results and Performance

improvements in quality of Early Years at East Crompton St George's (now judged a strong "good") by external assessment and focus and KS1 and phonics at Mayfield (independently QA'd) despite the huge disruption to the children's education caused by the pandemic. Excellent results at East Crompton St George's, above national averages, including greater depth achievement leading to positive progress measures for E.

### East Crompton St George's

	2018		2019		2022		
E 2 EXPECTED STANDARDS (ATTAINMENT)	School	National	School	National	School	National	Target
Is meeting expected standard in R, W & M	54%	64%	68%	65%	65%	59%	67%
Is meeting expected standard in Reading	68%	75%	74%	73%	88%	74%	74%
Is meeting expected standard in Writing	64%	78%	74%	78%	69%	69%	78%
Is meeting expected standard in Maths	57%	76%	84%	79%	81%	71%	81%
	2018		2019		2022		
E 1 EXPECTED STANDARDS (ATTAINMENT)	School	National	School	National	School	National	Target
Is meeting expected standard in Reading	71%	75%	71%	75%	41%	75%	77%
Is meeting expected standard in Writing	64%	70%	65%	69%	38%	69%	70%
Is meeting expected standard in Maths	79%	76%	71%	76%	45%	76%	77%
Year 1 screening	74%	81%	77%	82%	73%	82%	n/a
Targets Goals: Good Level of Development	64%	71%	68%	72%	69%	72%	n/a

	2018		2019		2022		
E 2 EXPECTED STANDARDS (ATTAINMENT)	School	National	School	National	School	National	Target
Is meeting expected standard in R, W & M	39%	64%	47%	65%	29%	59%	65%
Is meeting expected standard in Reading	61%	75%	53%	73%	52%	74%	74%
Is meeting expected standard in Writing	52%	78%	69%	78%	65%	69%	78%
Is meeting expected standard in Maths	55%	76%	69%	79%	39%	71%	78%
	2018		2019		2022		
E 1 EXPECTED STANDARDS (ATTAINMENT)	School	National	School	National	School	National	Target
Is meeting expected standard in Reading	50%	75%	60%	75%	60%	75%	77%
Is meeting expected standard in Writing	40%	70%	50%	69%	53%	69%	70%
Is meeting expected standard in Maths	53%	76%	63%	76%	63%	76%	77%
Year 1 screening	77%	81%	80%	82%	81%	82%	n/a
Targets Goals: Good Level of Development	55%	71%	60%	72%	59%	72%	n/a

### Blue Coat School

Outcomes and progress at GCSE for all pupils in a broad and rich curriculum where 91% took Ebacc. Disadvantaged pupils, SEN:K, EHCP all above national for all pupils. EAL pupils achieved substantial additional value (+1.12)

### GCSE

2022:

	Progress 8	Attain 8	9-5 Eng & Maths	9-4 Ebacc	9-5 Ebacc	APS Ebacc	Entry Ebacc
Average	0.79	61.9	76%	72%	54%	5.72	91%
Disadvantaged	-0.03	48.7	50%	27%	20%	4.27	39%

Disadvantaged groups added value except for Languages at -0.01 with 99% coverage:

### Disadvantaged & P8 Measures

Disadvantaged	+0.81 (P8)
Disadvantaged	+0.59 (P8)
Disadvantaged	+0.60 (P8)
Disadvantaged	+0.44 (VA)
Disadvantaged	+0.67 (VA)
Disadvantaged	-0.01 (VA)
Disadvantaged	+1.1 (P8)

Disadvantaged pupils shared a sustained education or employment destination (England average 94%).

### Key Stage 5 (Level 3)

Attainment 2022: Total Students: 194

Qualifications	A*/A	A*/B	A*/E
Attainment	31.8%	57.8%	99.1%

### Equivalent Qualification

Qualifications	D*/D	D*/M	D*/P
Equivalent	46.4%	85.7%	100%

Disadvantaged/Progress based on 2019 progress model: 0.28. Retention: 94% (national average 2019: 91.3%)



**A-Level Destinations**

	<b>No of Students</b>
on	
y	<b>148</b>
	<b>17</b>
ment	<b>14</b>
ceships	<b>8</b>
erred	<b>3</b>
iroup	<b>45</b>

**– St Anne's Inspection**

was inspected in December 2021, achieving "good" for leadership and management, behaviour and attitudes and personal development. The education was judged RI; therefore, the overall outcome was RI. The report acknowledged the progress made since the monitoring visit of May 2019. Pupils receive a far better quality of education than they did in the past... senior leadership, subject leadership and governance have been... governance is strong. Trustees are knowledgeable and effective in supporting leaders to improve the quality of education that pupils

improvement on 2019, despite the high level of disruption caused by COVID.

2022:							
	<b>Progress 8</b>	<b>Attain 8</b>	<b>9-5 Eng &amp; Maths</b>	<b>9-4 Ebacc</b>	<b>9-5 Ebacc</b>	<b>APS Ebacc</b>	<b>Entry Ebacc</b>
	-0.36	44.6	34%	13%	10%	3.57	24%
age	-0.03	48.7	50%	27%	20%	4.27	39%

ged pupils fared worse (P8: -0.57). 22 EAL added higher value (+1.95, compared to all pupils -0.36). Girls performed significantly better than P8: 0.03; Boys P8: -0.86).

A measures in the subject areas show that the main areas for improvement remain:

#### **Added & P8 Measures**

	-0.63 (P8)
	-0.37 (P8)
	-0.81 (VA)
ties	-1.36 (VA)
es	+0.86 (VA)
	-0.75 (P8)
ot	+0.19 (P8)

ish) showed excellent achievement (VA +0.86) but only 24% of cohort took a language.

was lifted by the Open Pot (+0.19).

ils showed a sustained education or employment destination from 2020 (England average: 94%).

ier Education Trust commits to putting faith into action in serving the diverse multi-cultural and multi-faith communities in North-East r/Pennine region. The area is characterised by government as a "cold spot"; where poverty, structural inequality, and a legacy of unambitious l provision, compounded by community divisions and racism, provide the backdrop for low aspirations, poor learning and outcomes, and pportunities and life chances for young people, perpetuating a cycle of inequality and disengagement.

ier Education Trust's commitment is to enable young people to "have life, and to have it to the full" by creating and running good, inclusive ere young people are well-taught, cared for as individuals, and nurtured to become everything they can be and are meant to be. That applies all our schools, whether or not they are designated CE. All our CE schools are distinctively Christian in different ways, depending upon the e young people and communities that they serve.

not be excellent education without excellent teaching. As a trust we put faith into action by leading the training and development of teachers, se adults who work in our schools. We run Manchester Nexus SCITT which trains on average 70 teachers per annum, the majority of whom ve our communities; and the East Manchester Teaching School Hub, which serves teachers, schools and trusts in Oldham and Tameside, d, into Kirklees, Calderdale, Stockport, and Manchester.

t of the pandemic and ongoing lockdowns and requirements for self-isolation has had a serious impact on children and young people e, educationally and in terms of their wellbeing and mental health, particularly in our Greater Manchester region.

e out of the pandemic, the priority for all our schools was to establish culture, community, and expectations, underpinned by Christian values. focused particularly on the development of character, and the importance of the child's holistic development, how faith, worship, and form

upport this, and how all staff help develop character traits, behaviours, and values. The foundation of this work was Galatians: "But the fruit of the Spirit is love, joy, peace, patience, kindness, goodness, faithfulness, gentleness and self-control".

ocused on the development of the Chaplain's role in counselling both students and staff, supporting circa 30 students at any one time. A prayer request system has been introduced for anyone who needs prayer. The Archbishop of York Award was introduced to KSA4 pupils during the year and extended to 5 primary schools as an induction award, which has been gratefully received. Bishop Mark of Middleton presented the Archbishop of York Young Leaders Award to Year 9 pupils.

rompton St George's there was a particular joy in taking part in Young Voices, where the school choir joined thousands of pupils, performing at a live audience. A sponsored marathon event was organised by the school council and together the school run a distance equivalent to 4.77 miles, raising money to support a creative day celebrating the arts. The trust came together with specialist teachers contributing to St Anne's and St George's to enable pupils to be inspired through dance, music, art, and drama.

welcomed 10 Year 12 Blue Coat students in work experience, again bringing our trust family together, through our young people. Mayfield has been the base for the teaching school hub and the SCITT, hosting numerous placements and bringing professionals from across the trust, the diocese and beyond, to train and develop together in the lovely environment of our extended school in the heart of Derker.

Theme for the year was "encouragement" based on the text from Ephesians 4:29 "When you talk, do not say harmful things, but say what is helpful – words that will help others become stronger. Then what you will do good to those who listen to you". We felt that this was particularly relevant in a very uncertain world of global challenges that cause disruption and suffering in our communities. Our words and actions can make a difference in an increasingly turbulent and fragmented society. Worship moved back to being in person as public health guidance allowed, and the joy of being with others, being together, was palpable in our schools. The build-up to Easter was a special time as this year it coincided with Christian students and staff observed fasting for Lent whilst Muslim students and staff were fasting for Ramadan. Space was provided for reflection and throughout worship there was a sense of preparation and devotion across the faiths, particularly in Blue Coat which has a high proportion of Muslim children and staff.

Chaplains at St Anne's and Blue Coat worked together to plan and resource the weekly worship themes for the year. Both are part of the diocese's Chaplain Network, bringing the learning and ideas from the diverse group of Chaplains serving schools in very different contexts back into the trust.

Blue Coat Chaplain worked with the Headteacher at the new Brian Clarke CE Academy and her staff to develop the school ethos and Year 7 worship and weekly form reflection. He was active in Year 6-7 transition, visiting Year 6 pupils coming to both schools and supporting assembly and prayer on the parable of the Good Samaritan, highlighting the importance of looking out for one another and celebrating our diversity.

St Anne's also held regular assemblies in our primaries, working with staff to ensure the "Roots and Fruits" scheme links smoothly with the trust's curriculum.

St Anne's maintained its connection with the East Oldham Methodist Church, with "Bible Encounter" assemblies for KS1 children and resumed the visits to churches and mosques which had been suspended during COVID.

ools have increased levels of pastoral and attendance support, despite the pressure on staffing resource, adopting a graduated approach of short bursts of emotional support for those pupils in need, and support for families. There remain families who are hard to engage and that is a challenge for the new year. Our schools all got extra-curricular provision, trips and visits moving again, with a particular focus on the engagement of the vulnerable and disadvantaged pupils to build confidence and belonging.

Schools have thrown themselves into looking after the most vulnerable, contributing to food banks and charities delivering hampers and parcels of love to the public services that kept everyone going during the pandemic; producing hampers for local families and care packages for people, delivered to the Salvation Army; and responding overwhelmingly to an appeal from the local Ukrainian community working with Area 101 Ramble, and the members of the Ukrainian church in Rochdale to collect and send a vanload of essential supplies to refugees in Poland.

Schools, pupils and students chose their own charities to support, including holding a bake sale for World Cancer Day (Blue Coat/Year 9 '00); Race for Life for Cancer Research (all Blue Coat and Mayfield); preparing and serving a meal to the homeless community in Manchester (St Anne's Year 10); Children in Need, MacMillan Cancer Research, Shaw Food Bank (East Crompton St George's); Cystic Fibrosis (Mayfield).

Clarke CE Academy opened successfully and on time in September 2022. Currently located in fully equipped temporary accommodation on the old site, it will move to its new permanent accommodation after Easter in 2023.

School will have a major stained-glass installation designed, created, and donated by the artist, Brian Clarke.

For the school as a multi-faith, multi-cultural and multi-talented microcosm of the diversity of the borough, which brings together young people of all denominations and none, has been achieved. All other faith places were filled; most Christian places were filled; the remainder being re-allocated to geographical applicants in line with policy. 80% of pupils came from within 2 miles. 37.9% are disadvantaged, slightly higher than the borough average. There are 5 pupils with EHCPs and 2 Looked After Children. The young people are immensely proud to be the founding pupils of this school and were superb ambassadors for the school in its first open day with its own pupils.

School is led by Headteacher, Ms Allison Ash, previously Deputy Headteacher at Blue Coat and Director of the SCITT. It will grow exponentially, appointing circa 25 new staff each year.

Curriculum is ambitious, knowledge rich, sequentially planned and designed to prepare pupils for life in modern Britain. Preparatory work prior to school and further developed in dedicated staff training time have focused on establishing a consistent pedagogy of teaching and learning, enabling pupils to know, understand and remember more.

Implementation of The Brian Clarke way of high expectations and a behaviour curriculum which creates a calm, purposeful and safe environment where pupils can learn and thrive is a priority and is already highly visible.

School is oversubscribed for 2022-23 and is on its way to becoming a school of choice in the borough.

Our strategy to enable us to transform the life chances of more children and young people through excellent education and outstanding schools is being developed by executive leadership with the support and challenge of trustees.

We will grow strategically (as opposed to incrementally) focusing on the Oldham, Rochdale, Tameside region in which we are already established – Priority Education Investment Areas where we can add significant value to the quality of education.

T

ess and operations capacity is now strong; our school improvement and professional development work enables us to help schools improve of teaching, pedagogy, and learning. We have prioritised the areas for additional capacity as we grow, eg. trust leadership for SEND, SEND safeguarding, attendance and family support, all areas where schools (especially primaries) lack resource.

at targets for growth in numbers of pupils year-on-year to reach a total pupil population of 10,000 by 2029/30, with a focus on:  
pansion at secondary level by 16FE to extend into primary feeders, improve transition, help provide the scale for business development as trust and the range of teachers to lead improvement in different areas.  
mixed family of denominational and non-denominational grouped and our secondary schools – it is not healthy for the system to create silos CE/non-faith.  
vertheless, we will provide a home for viable CE VA schools which have fewer options and intend to develop a small schools network to support very small schools that serve particular/often out-of-the-way communities through structures that build long-term viability.

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

### Public benefit

In setting objectives and planning activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

The key public benefit which the Trust aims to develop is the provision of continued high-quality education for all students through the objects, aims and strategies detailed above. The achievements against the annual objectives are also detailed above.

### STRATEGIC REPORT

#### Achievements and performance

- see objectives, strategies and activities

#### Key Financial Performance Indicators

Performance in Pupil achievement and progress across the Trust is included in objectives, strategies and activities section on pages 5-12.

In relation to financial performance:

Maintenance of reserves - to ensure that the Trust retains enough general reserves to cover £200k of any emergency capital maintenance work and at least two months of Trust salary costs £2,972k. General Restricted and Unrestricted reserves carried forward at 31 August 2022 total £4,569k.

Annual staff costs benchmarking to ensure that staff costs remain within benchmarked national limits from the 2021 Academies Benchmarking Report. Report for 20-21 data shows the following averages

- o Staff costs % as total costs - average 75.4% - The Trust % for 2021-22 is 70.5%.
- o Teaching staff to pupil ratio- average 20.2:1 for MATs, the Trust ratio for 2021-22 is 20.3:1

To pursue and increase year on year alternative sources of revenue funding contributing to income received from educational operations- While 21-22 has still been impacted by COVID, other trading activities income and total alternative income now near pre COVID levels.

Non-financial performance indicators include examination results as detailed in objectives and outcome above.

Income	2021-2022 £'000	2020-2021 £'000	2019-2020 £'000	2018-19 £'000
Donations excluding capital grants	41	11	36	44
Other trading activities excluding MAT and Teaching School Hub set up grants and balances transferred in on conversion and SCITT bursaries	1,606	1,093	1,695	1,732
Investment income	1	1	1	1
Total income alternative sources	1,648	1,105	1,732	1,777
Funding from educational operations	19,437	15,034	11,636	10,770
Total income for comparison purposes excluding bursaries Teaching school hub set up grant and capital grants	21,787	16,139	13,360	12,547
Alternative source income as percentage of total income for comparison purposes	8%	7%	13%	14.1%

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

### **Going Concern**

The Trust has received details of 2022/23 Department of Education funding and made assessment of the impact of potential changes and risk areas. Whilst risks and uncertainties remain as detailed in the principal risk section on page 17, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **Promoting the success of the charitable company**

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

#### **(a) The likely consequence of any decision in the long term**

The Trust has strong governance supported by an experienced executive team. All decisions are approved within this structure and against the long-term strategic aims of the Trust. Primarily, the Trust's strategy is to improve educational outcomes for all students - decisions at every level are informed by this and their impact on all stakeholders.

#### **(b) The interests of the company's employees**

The Trust's employees are the reason for its success, the basis of engagement with employees is included in the Trustee report on page 5. All employees have access to various well being services, participate in frequent training and are kept safe by strong health and safety policies. There are informal and formal feedback processes, and issues are addressed as quickly as possible.

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

The Trust engages in business relationships in an open and transparent way to develop relationships based on trust and mutual understanding. In engaging with suppliers, the Trust ensures procurement policies set out in the Trust's Financial Manuals are followed in relation to obtaining quotes and tendering. The Trust maintains a list of suppliers whose services are key to the operation of the Trust and with whom the Trust has developed good relationships but not to the detriment of remaining at arm's length and ensuring public procurement and best practice is adhered to.

#### **(d) The impact of the company's operations on the community and the environment**

The Trust recognises the need to care for the environment, and seeks to identify the areas of the organisation which have an environmental impact and to minimise this impact. Through our estates strategy the Trust constantly updates inefficient practices and strives to upgrade to more energy efficient solutions in capital improvement projects. The Trust encourages staff and suppliers to reduce environmental impact through reduced waste and energy consumption. Students are both taught environmental responsibility through the school curriculum and are encouraged to participate in practical initiatives.

#### **(e) The desirability of the company maintaining a reputation for high standards of business conduct**

The reputation and contributing performance of the Trust is critical to the deliverance of the best possible outcomes for the students. We endeavour to build long lasting and trusted relationships with the public, suppliers, delivery partners, and funding bodies. Our organisational values include excellence quality and achievement, and these are promoted throughout the Trust in everything we do. Recruitment, training and appraisals reinforces these values with staff.

#### **(f) The need to act fairly as between members of the company**

The Trust ensures its staff, governors Trustees and members are treated fairly through having a clear vision for the Trust which is communicated throughout the organisation by strong leaders through robust strategy and

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

strong internal controls. The Trust respects and celebrates the diversity within our community and is committed to providing an environment which ensures that all students and staff are treated with dignity and respect. A positive learning and working environment is the aim of the Trust, free from discrimination, harassment, or victimisation.

### **Financial review**

#### **Statement of Financial Activities**

Trust education operation income increased £4.35m in the period with the inclusion of St Anne's for the full 12-month reporting period.

Teaching School Income fell by £126k, however this was largely due to a reduction in the number of bursary and scholarships linked to teacher training all other income sources increased in 21-22. Total income from other sources excluding Bursaries was £1,648k (2020-21: £1,105k), a £543k increase on the prior year. Income from other trading activities increased significantly to £534k (2020-21: £191k) largely due to trips commencing again following COVID restrictions in 20-21.

Expenditure in 2021-22 overall has seen a £5.5 million increase on 2020-21 mainly due to St Anne's inclusion for the 12-month period. The Trust has also been affected by general price inflation in particular with regards to energy prices throughout the year. The impact of the national insurance increase and planned support pay awards have also added significant costs.

During the period ending 31 August 2022 total income excluding capital grants, gains and losses on endowment and pension fund and donations relating to academy transfers into the Trust was £22,126,000 (2021: £16,823,000) and total operational expenditure before depreciation of £1,460,000 (2021: £1,015,000) was £22,466,000 (2021: £17,035,000) resulting in an operating loss (before depreciation, other gains and losses, but after FRS 102 defined benefit pension adjustments) of £346,000 (2021 loss: £212,000). The total in year deficit on restricted general funds (excluding pension) was £534k (2021: £575k surplus) and the total in year surplus on unrestricted funds was £147k (2021: £253k surplus).

### **Financial position**

The Trust at 31 August 2022 shows a solvent position within cash of £4,528k (2021: £4,179k), fixed asset investments of £462k (2021: £574k) and net current assets of £4,037k (2021: £3,464k).

### **Capital**

Capital Grants and Donations of £546,000 (2021: £2,472,000) were received, including £359,000 of donated fixed assets relating to the groundworks required on the Blue Coat School site to prepare it for the temporary accommodation of Brian Clarke C of E Academy in 22-23. Also £187,000 (2021: £227,000) of Condition Improvement Funding was received from the DfE for heating upgrades at Blue Coat School.

A salix loan of £19k was part of the CIF funding received for heating upgrades at Blue Coat School. This will be repaid over 8 years and hence is carried forward as unspent capital funding. Carry forward in 21-22 is £17k (2021: £104,000)

Condition Improvement Funding of £29k has been accounted for in this period as required by the accounting policies to accrue funding not yet received when the grant is not conditional. However this resulted in no carry forward of capital funds as expenditure was matched against this funding. The Trust is holding £158k in other creditors, relating to CIF clawback, due to project underspend.

Devolved Capital Funding of £nil (2021: £nil) has been carried forward unutilised this period.

### **Reserves policy**

The Trust has maximised reserves to provide a buffer for any funding cashflow delays, protection for future changes in funding and for capital estate investment/maintenance requirements as stated in the Key Performance Indicator section of the Trustees report. The total level of reserves held by the Trust at 31 August 2022 is £43,248k (2021: £30,198k). The level of unrestricted general funds at 31 August 2022 is £2,233k (2021: £2,086k)



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Restricted general reserves total £1,805k (2021: £1,271k) excluding the Trust's pension asset of £531k (2021: £12,279k liability). The presence of a pension surplus does not mean that an immediate asset crystallises. The movement to an asset position this year is as a result of increased discount rates.

The contribution rates of the March 2020 valuation updated to August 2022 have been incorporated into cashflow models. In Note 28, the Department of Education has guaranteed that in the event of Trust closure, any outstanding Local Government pension liability will be met by the Department.

During the year £585,000 of restricted general funds were transferred to fixed asset reserves to be utilised on capital acquisitions. Future capital acquisitions will be assessed as to whether these can be met by restricted general funds in the period or will be met from unrestricted funds.

The value of unrestricted reserves is £2,233,000 (2021: £2,086,000). These are freely available for general purposes and will be allocated in line with the strategic objectives of the Trust and the Trust reserve policy. The endowment fund has been revalued at the end of the period to £462,000 showing a £62,000 loss in 21-22, along with a £50k reduction due to disposal of investment units.

Details of the Trust's target reserves are included within the Key Performance Indicators on page 13. The Trustees are satisfied that the level of reserves is broadly in line with target.

Restricted fixed asset reserves total £38,217,000 (2021: £38,546,000) and includes the value of the assets and capital balances transferred by the local authority and the Manchester Diocesan Board of Education to the Trust on conversion of the secondary school in 2011, the two primary schools in period ended 31 August 2016 and St Anne's CoFE Academy in 2021. The restricted fixed asset reserve also includes the funding of assets through grant income since conversion, any balance on capital funds received in the period and not spent £Nil (2021: £Nil) and is reduced by annual depreciation charges over the expected useful life of the assets concerned. Condition Improvement Funding of £29,000 has been accounted for in this period as required by the accounting policies to accrue funding not yet received when the grant is not conditional. However this resulted in no carry forward of capital funds as expenditure was matched against this funding.

### **Investment policy**

The investment policy requires the Trust to maintain sufficient funds to cover expenditure identified through revenue and capital cashflow predictions before considering any investment opportunities. The investment objectives include:

- achieving best financial return available whilst maintaining security of deposits
- to protect the capital value of any investment from risk of loss and inflation
- exercise investment appraisal with care and skill

Surpluses for investment will be identified and documented by Academy but amalgamated to maximise investment potential. For 21-22, Trustees have continued to defer the investment of any reserves to protect cash flow while estate maintenance projects are progressing and while establishing the Multi Academy Trust.

### **Endowment policy**

The Trust has an Endowment policy in relation to the investment transferred to the Trust from St Anne's on 1 March 2021 and ring fenced for St Anne's use. The endowment policy states that the Trust Board as Corporate Trustees of the Endowment has delegated responsibility to the Audit Risk and Finance Committee, to review and monitor the Endowment – in particular to:

- Consider the effectiveness of the investment of the funds in maximising return whilst minimising the risk of loss or future erosion of the capital sum
- Consider the need for appropriate independent financial advice in relation to any potential investment
- Monitor the levels of reserve to ensure that funds remain above the original investment level.
- Undertake regular reviews of the Endowment funds and report to the Trust Board
- Consider any requests for the use of the unapplied investment return or dividend income

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

### **Principal risks and uncertainties**

The Trustees have assessed the major risks to which the Trust is exposed during the period. The principal risks are identified as follows:

- Educational risk - quality of education and progress and outcomes of pupils

All of our schools are located in areas of high disadvantage. Baseline entry data in 2 schools is significantly below national and just on national in a third. Our new free school will also serve an area of high deprivation. This is compounded by the impact of Covid in NE Manchester and the disruption caused and ongoing to education, and to families. Mitigate by

1) precision curriculum in primary to address learning loss and prevent the gap widening.

Curriculum and pedagogical review and ongoing development in secondaries

2) pupil premium end recovery strategies in all schools

3) investment in IT equipment, dongles to address the digital divide plus online learning and pastoral provision

- Educational risk - teacher recruitment and retention, national shortage, now exacerbated by Covid. This particularly affects secondary subject specialist teachers, leadership recruitment, specialist support staff. Mitigate through SCITT development and strategy for forthcoming market review of ITE; development of trust retention strategy particularly around staff wellbeing focusing on those areas that build loyalty, reduce the stressors where we can, and protective resilience

- Educational risk – Admission levels in school and admission criteria in church schools – impact on school budgets, education provision, viability and financial and educational strain on the Trust. Mitigate these risks through appointment of marketing manager and marketing consultant to build strategy, reinstate attendance criteria. Review of admissions and policies and creation of admissions committee.

- Cyber Risk – all Trust departments may be affected through ransom phishing for bank details to make a financial gain from Trust. Staff Trust operationally disabled and held to ransom.

Mitigate through internal scrutiny to highlight gaps in security, software to detect penetration into Trust IT, registered with Police cyber alarm and National cyber security centre early warning.

- Financial Risk – The Trust holds an endowment fund gifted to St Annes, the specific monitoring and governance of which is covered in the Endowment Policy. The endowment is held in an equity fund and as such are exposed to stock market movements, with a risk that due to market movements the fund falls below its initial bequeathed value and the Trust would incur cost to reimburse this difference.

- Growth Risk - potentially bringing in, through re-brokerage, schools in future years some of which may be judged "inadequate" also involve political challenges and reputational risk. To mitigate this the Trust is developing its marketing and communications strategy, particularly through social media, to offset any negative publicity and building relationships with key individuals and bodies whose support/influence can have a positive effect to attract schools to joining the Trust and when faced with detractors with a particular agenda.

- Growth management risk - Expansion of the Trust could potentially deplete Trust resources and result in an inability to back fill due to funding. Actions taken by the Trust to mitigate this risk include plans to increase central capacity (both human and through more efficient automated systems), detailed planning of expansion requirements including management of pre-opening resources and application for emergency school improvement and potential transition/capacity funding for re-brokerage.

- Growth Risk – where expansion projects not delivered on time – pressure on quality of education provision, cost management, admissions, use of temporary accommodation. To mitigate -contingency planning prepared, communication channels maintained and used to actively pursue early works to mitigate issues, use of technical adviser by Trust to consider options, monitor costs closely.

- Key personnel recruitment, retention and succession risk - the risk of long-term sickness and any lack of succession, retention, development and recruitment of key staff. Actions taken by the Trust include protocols set for safe recruitment and use of online interviewing and online and remote provision of training and mentoring. The SCITT and leadership programmes to support teaching staff, a robust pay policy, use of staff surveys, expansion of the appraisal process to include career aspirations, monitoring of market forces and consideration of succession planning for key personnel.

- SCITT- Implementation of new Core Content Framework and associated assessment, current Market review and results for SCITTs, changes in leadership. Actions taken by the Trust include SCITT management structure

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

strengthened, review of curriculum and assessment to meet new CCF requirements, respond to Market review prepare for reaccreditation if required and continued focus on recruitment.

- Pension schemes - The Trust's employees are members of two defined pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). The Trust has recognised its share of assets and liabilities of the LGPS in accordance with FRS102 and as a result an asset has been included in the accounts for 31 August 2022. The TPS has been accounted for as a defined contribution scheme. Due to the nature of the two schemes, there is an underlying risk to the Trust relating to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme.

- Teaching School Hub – new activities and responsibilities for the Trust delivery against KPIs. Reputation if programmes are not rolled out in time and are not to standard. Actions taken by Trust include recruitment of skilled resource both internal and external to aid set up and management of the programmes and financial internal controls.

### **Fundraising**

The Trust has little activity in this area. No professional advisers or commercial participators are used to raise funds. Only small amounts are generated mainly from primary activities with parents. All fundraising undertaken during the year was monitored by the Trustees.

# CRANMER EDUCATION TRUST

## TRUSTEES' REPORT

### Streamlined energy and carbon reporting

	2022	2021
<i>Energy Consumption</i>	kWh	kWh
Aggregate of energy consumption in the year		
- Gas combustion	3,351,160	2,892,008
- Electricity purchased	1,404,421	1,289,430
- Fuel consumed for transport	1,027	117
	<b>4,756,608</b>	<b>4,181,555</b>
	2022	2021
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	611.72	529.70
- Fuel consumed for owned transport	2.63	0.29
	<b>614.35</b>	<b>529.99</b>
Scope 2 - indirect emissions		
- electricity purchased	271.59	267.41
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Trust	3.19	0.49
	<b>889.12</b>	<b>797.89</b>
Total gross emissions		
	<b>889.12</b>	<b>797.89</b>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	<b>0.30</b>	<b>0.27</b>

### Qualification and Reporting Methodology

We have used the 2020 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. While every effort has been made to include all relevant usage, estimated readings have been used in some instances where the information for the full period was not freely available. This is not judged to have any significant affect on the figures reported and they are representative.

### Intensity measurement

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

### Measures taken to improve energy efficiency

The Trust has applied and received further CIF funding to improve roofs, radiators and pipework at the oldest part of the Trust estate at Blue Coat School. Kirkman House at Blue Coat School is being refurbished, which will include a new heating system. At St Anne's lighting and ventilation has been replaced in Block 4, the oldest part of the estate. IT technology continues to be used to enable staff meetings to take place remotely, to reduce the need for travel between sites. Discussions have been held with an energy consultant about a strategic approach to energy management, training and procurement

	Planned Activities
public sector cuts and the ds.	<ul style="list-style-type: none"> <li>• Manage the costs that we can manage, reduce demands on our reserves.</li> <li>• Continue active marketing of all schools to ensure all achieve the PAN and full funding.</li> <li>• Maintain the estate by seeking alternative sources of capital support, e.g. CIF, DfE, LAs</li> <li>• Review energy management strategy across our schools.</li> <li>• Use all available means to influence policy makers, showing the disastrous impact further cuts in the sector will have on children's education.</li> <li>• Begin contingency planning in the event of the need to reduce the workforce and therefore reduce children's access to teaching.</li> <li>• Growth plan to maximise pooled resources and spread the impact as fairly as possible, based on need.</li> </ul>
at key assessment points le and disadvantaged/late ctor are set to increase, staining staff.	<ul style="list-style-type: none"> <li>• SMART improvement plans for each school, supported by independent and knowledgeable School Improvement Partners (SIPs).</li> <li>• Priority areas: <ul style="list-style-type: none"> <li>- Mayfield – KS2, imminent inspection.</li> <li>- East Crompton St George's – KS1, pupil numbers and staff capacity.</li> <li>- St Anne's – English and Humanities, Literacy/Reading, SEND, high quality CPD that is systematically implemented to a consistent "St Anne's Way"; reputation, transition, and recruitment; culture and behaviour – welcoming pupils and developing their voice in and regard for the school.</li> <li>- Blue Coat – imminent inspection, post 16.</li> <li>- Brian Clarke – Scaling up the curriculum and benchmarking to ensure pupils are making the progress they should – disadvantaged boys emerging as a key group to address in terms of persistent absence; parental engagement; sustaining the co-curricular provision as the school grows especially given financial pressures; building leadership capacity to support the Headteacher to provide space for the intellectually tough work.</li> </ul> </li> <li>• All schools: attendance and engagement of hard-to-reach parents.</li> <li>• Continuing development of local governance to provide appropriate levels of support and challenge for Headteachers.</li> <li>• Internal scrutiny of local governance.</li> </ul>
/ as it grows exponentially -ethnic, and multi-talented ess, achieve and have a	<ul style="list-style-type: none"> <li>• See above, also</li> <li>• Maintaining a high profile to ensure an intake that is balanced in faith, culturally and ethnically.</li> <li>• Managing the transition to the permanent site and establishing routines and systems for all.</li> <li>• The staff development trajectory and the trajectory for the "founder" staff as departments and teams grow.</li> <li>• Ensuring a distinctive Christian ethos in a school where the majority faith is likely to be Muslim, and in a local political context where not everyone shares the vision for the school.</li> </ul>

to leverage educational ication, codification, and areas of experience and agency and listen to and	<ul style="list-style-type: none"> <li>• Development of School Improvement capacity building; curriculum, teaching and learning, literacy implementation.</li> <li>• Development of CPD curriculum for all our staff to build a shared language and understanding – Cranmer Institute.</li> <li>• Establish areas of shared concern where no-one has the answer to generate cross-school working and produce exceptionalism, e.g. safeguarding, parental engagement.</li> </ul>
to make good provision and civic respect for schools increase.	<ul style="list-style-type: none"> <li>• Targeting of 3-6 FE primary to achieve conversions in 2023-24, bringing additional educational expertise to support RI schools later.</li> <li>• Ongoing discussions with secondaries including maintained and SATs, again, to build human and educational resource to support others in the future.</li> <li>• Bring all CET activities under one roof for efficiency and effectiveness of communication.</li> <li>• Rebranding and new website to signal strengths and invitation to next level of growth.</li> </ul>
wing the market review to our area and grow the Hub achers.	<ul style="list-style-type: none"> <li>• Review SCITT structure and roles.</li> <li>• Review SCITT marketing and recruitment strategy.</li> <li>• Review viability and quality of 4-7 offer.</li> <li>• Plan and build partnership to spread the responsibility of training small groups of trainees, e.g. DT, Music, Business, Drama etc.</li> <li>• Consider whether we would be better placed becoming part of a big university-led ITT offer where there is (currently) the resource for curriculum research and development, and we become a local provider (as in the Hub).</li> </ul>
schools is upheld in ways nunity; and that the CET l to enabling children and ience life in all its fullness.	<ul style="list-style-type: none"> <li>• Continue to develop the distinctive Christian ethos in each school – what it means to be a Christian school in that place/community, with and for those young people and what that means for worship, care and nurturing, the role of the school Chaplain.</li> <li>• Develop our understanding of inter-faith working, using the links/connections provided by the Area Dean to gain a broader and evidence-led perspective.</li> </ul>

# **CRANMER EDUCATION TRUST**

## **TRUSTEES' REPORT**

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

The Trust does not hold, and the Trustees do not anticipate that it will in the future hold any funds as custodian for any third party.

### **Auditor**

RSM UK Audit LLP has indicated its willingness to continue in office.

### **Statement as to disclosure of information to auditor**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 20 December 2022 and signed on the Board's behalf by:

*Janet GREGORY*

J Gregory  
**Chair of Trust Board**

# CRANMER EDUCATION TRUST

## GOVERNANCE STATEMENT

### **Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Cranmer Education 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.

### **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 formally meets 4 times during the year. Whilst The Board of Trustees meets less than 6 times a year, The Trustees have established committees to give specific focus to the business of the Trust and each committee has delegated responsibilities as outlined in the Scheme of Delegation; Audit, Risk and Finance, Admissions, Pay and Personnel and Standards. The committees are made up of Trustees, which report to board. This structure allows effective oversight with more in-depth accountability and governance. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of possible</b>
J Gregory (Chair of Trust Board)	4	4
J A Hollis (Accounting Officer and Chief Executive Officer of Cranmer Education Trust)	4	4
T Mitchell	4	4
E Moores	4	4
P Winter (Chair of Audit, Risk & Finance Committee)	3	4
M Khan (Resigned 15 October 2021)	0	0
S Skidmore (Resigned 20 November 2022)	2	4
S Curley	4	4
Reverend J Rosedale	4	4
R Lamb	3	4

During the period 2021-22, Trustees competently and effectively dealt with the following areas:

- Capacity of the Trust to grow and strengthen.
- Performance of the schools and specifically leadership.

Risk areas and actions taken to mitigate.

- Work undertaken by the Trust towards the opening of The Brian Clarke CE Academy
- Metrics showing trends re Trust performance educationally and financially.
- Health and Safety reviews
- Successful SCITT reaccréditation
- Procurement matters including CIF bid and Catering tender
- Policy development.

Challenges for the Board:

- Growth, in the context of national changes to the academisation and re-brokerage policies and the Free Schools program



# CRANMER EDUCATION TRUST

## GOVERNANCE STATEMENT

- Capacity of the Board and the need to ensure a range of strategic expertise and succession and monitoring of delegated tasks.
- Capacity of the Trust to resource and fund growth.
- Growth of admissions in schools to maximize funding
- Impact of COVID on schools and the community

### **Data used by Board**

The Board uses a summary dashboard including financial and educational performance. Termly data is consolidated for Trustees in respect of Health and Safety and safeguarding reviews by Local Governors. Trust provides Governor Hub facilities for the sharing of data to Governance. The data provided to the Board is therefore sufficient quantity and quality to enable the Board to understand the Trust's status and challenge positions.

### **Audit, Risk and Finance Committee**

The Audit, Risk and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value-for-money framework through appointment, planning and review of internal scrutiny/external auditor work and review of the effectiveness of internal controls. It also monitors the risk profile of the Trust and approves the Academy Risk register and Business Continuity Plan. The meetings of this Committee alongside the full Trust Board meetings and the regular monthly distribution to the Chairs of the Trust Board and the Audit and Finance Committee of the finance position of the Trust ensures that Trustees meet the requirements of maintaining effective oversight of funds.

The Audit, Risk and Finance Committee met 3 times in the year.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Mitchell	1	3
E Moores	3	3
P Winter (Chair of Audit, Risk & Finance Committee)	3	3
M Khan (Resigned 15 October 2021)	0	1
S Skidmore (Resigned 22 November 2022)	0	3
S Curley	2	3

### **Pay and Personnel Committee**

A Pay Committee was established during 2018-19 to review national pay awards for teachers and support staff and to review salary ranges and recommend/approve performance awards for CEO, Headteachers and Executive staff. The committee met twice, in October 2021, with an additional meeting held in July 2022. The committee changed its name to Pay and Personnel Committee in July 2021 and expanded its remit to include the review of policy and consultation outcomes with the JCNC. Decisions on Significant Change and appeals against significant change are now made at Trust Committee level, acting for the employer.

Attendance at the meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Mitchell (Chair)	1	2
E Moores	2	2
R Lamb	2	2

### **Standards Committee**

A Standards Committee was established in 2019-20 to focus on standards across the educational institutions owned and operated by the Trust. The Standards Committee met 3 times in the year.

Attendance at the meetings in the year was as follows:

# CRANMER EDUCATION TRUST

## GOVERNANCE STATEMENT

Trustees	Meetings attended	Out of possible
R Lamb (Chair)	3	3
Reverend J Rosedale	3	3
J Gregory	3	3
S Curley	1	3

### **Admissions Committee**

An Admissions Committee was established in 2020-21 to monitor and review each schools admissions policy and oversee consultations on admissions. The Admissions Committee met 2 times in the year.

Attendance at the meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Gregory (Chair)	2	2
R Lamb	2	2
Reverend J Rosedale	1	2
E Moores	0	2
P Winter	2	2

### **Governance reviews**

The last external review of Governance was undertaken by Jane Lewis, published July 2019.

Recommendations included:

- Developing a governance plan for the new free school including succession planning
- Review governance arrangements across the trust in light of the expansion
- Develop Governance training and development plan
- Provide a clear induction process for new trustees

The actions and plans from the Governance review were in part put on hold with the pandemic – the governance plan for the new free school is underway with a Board now in place and the governor arrangements across the Trust are continually monitored with the review remaining the measure to ensure effectiveness of the Trust – the next review to assess changes made has not yet been planned given the continued uncertainty from COVID.

The Articles include the delegation of local responsibilities to Local Governing Committees. The principles of the Scheme of Delegation were last reviewed and revised 2018/19 in preparation for the expansion of the Trust.

The Scheme of Delegation was to be reviewed again during 2020/21 and further Governance reviews and training undertaken however this was interrupted by the COVID pandemic. Governance meetings have continued throughout lockdown via Governor Hub and Teams and internal scrutiny and independent reviews of governance procedures by external advisers such Health and Safety specialists confirmed that governance systems remained in place even during difficult days of the pandemic. Governance is one of the areas selected for the 2022/23 Internal Scrutiny report, therefore a governance review will be undertaken as part of the Internal Scrutiny report.

# **CRANMER EDUCATION TRUST**

## **GOVERNANCE STATEMENT**

### **Review of value for money**

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Trust Board where value for money can be improved, including the use of benchmarking data or using a framework where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- The growth of the Trust to bring economies of scale and continued work by the Trust with DFE on setting up the new The Brian Clarke CE Academy in Oldham in 2022-23
- To continue the growth of the Teaching School Hub to ensure good quality provision of teacher development to the Trust and other organisations in the Oldham and Tameside area over the next three years.
- Review and benchmark of Trust contracts for services that are central to the running of the Trust to ensure value for money is achieved through all the academies. During 21-22 this included tender for the provision of cleaning and uniform in two schools, CIF and other capital project tenders and the review of the MIS market to procure the correct system for The Brian Clarke CE Academy.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year to 31 August 2022 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

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

### **The risk and control framework**

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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 Audit, Risk and Finance 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.

# CRANMER EDUCATION TRUST

## GOVERNANCE STATEMENT

The Board of Trustees has considered the need for a specific internal scrutiny function and appointed School Business Services Ltd to carry out an independent internal scrutiny.

The internal reviewer's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. During the year the internal auditor was employed to undertake work on the following areas;

- Safeguarding
- Cybersecurity
- Finance system review

On a termly basis, the internal scrutineer reports to the Trust Board, through the Audit, Risk and Finance Committee on the operation of the systems of control and on the discharge of the Trust Board financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal scrutineer summary for 21/22 rated the Cranmer Education Trust their highest designation of "Good". Full assurance can be given to the Trust Board that the controls relied upon at the time of Scrutiny were suitably designed, consistently applied and effective in their application.

Suggestions were offered to improve the effectiveness of the control over Payroll/Personnel files and personnel record keeping and contract acceptance, the Risk register and procedures surrounding Gifts and Hospitality. However none of the issues raised were significant/material control issues, only suggestions.

### **Managing Conflicts of Interest**

The Trust Conflict of Interest Policy requires all Members, Directors, Governors and staff to declare interests, financial or otherwise, in companies or individuals from whom the Trust considers, or decides, to obtain goods or services, on Register of Business Interests (ROBI) forms. The ROBI is held for each academy at the academy site, must be open to public inspection and regularly updated. Relevant disclosures by Members, Directors and Governors and Accounting Officer must be posted to the Trust website and highlighted within the statutory accounts as required by the Accounts Direction and Charities SORP and may be made available on request under the Freedom of Information Act. The Trust Board must keep their register of interest up to date.

### **Review of effectiveness**

As Accounting Officer, the Chief Executive Officer has responsibility of reviewing the effectiveness of the system of internal control. During the year ended 31 August 2022 the review has been informed by:

- the work of the internal reviewer
- the work of the external auditor
- the school resource management self – assessment tool and
- the work of the executive managers within the 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, Risk and Finance Committee and a plan to ensure continuous improvement of the system is in place.

# CRANMER EDUCATION TRUST

## GOVERNANCE STATEMENT

Approved by order of the members of the Board of Trustees on 20 December 2022 and signed on its behalf by:

*Janet GREGORY*

J Gregory

**Chair of Trust Board**

*Julia Hollis*

J A Hollis

**Accounting Officer and Chief Executive  
Officer of Cranmer Education Trust**

# CRANMER EDUCATION TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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As Accounting Officer of Cranmer Education Trust I have considered my responsibility to notify the Academy Trust Board and the Education and Skills Funding Agency (EFSA) of material irregularity, impropriety and non-compliance with EFSA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I, and the Academy Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2021.

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 EFSA.

*Julia Hollis*

J A Hollis  
**Accounting Officer**

20 December 2022  
.....

# CRANMER EDUCATION TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 20 December 2022 and signed on its behalf by:

*Janet GREGORY*

J Gregory  
Chair of Trust Board

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANMER EDUCATION TRUST**

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## **Opinion**

We have audited the financial statements of Cranmer Education Trust (the "charitable company") for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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

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

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

## **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.



# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANMER EDUCATION TRUST (CONTINUED)**

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## **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

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

## **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 30, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

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

## **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

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

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academy Trust Handbook and Academies Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, and challenging judgments and estimates.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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

*Laura Inglesby*

Laura Inglesby FCA (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
3 Hardman Street  
Manchester  
M3 3HF

20/12/22

# CRANMER EDUCATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Endowment Funds	Total 2022	Total 2021
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>							
Donations and capital grants	4	41	702	546	-	1,289	2,483
Donations - transfer of existing academy into the trust		-	-	-	-	-	19,011
Charitable activities:							
- Funding for educational operations	5	708	18,729	-	-	19,437	15,083
- Teaching school	5	-	1,411	-	-	1,411	1,537
Other trading activities	6	109	425	-	-	534	191
Investments	7	1	-	-	-	1	1
<b>Total</b>		<u>859</u>	<u>21,267</u>	<u>546</u>	<u>-</u>	<u>22,672</u>	<u>38,306</u>
<b>Expenditure on:</b>							
Charitable activities:							
- Educational operations	9	762	20,372	1,460	-	22,594	16,472
- Teaching school		-	1,332	-	-	1,332	1,578
<b>Total</b>	8	<u>762</u>	<u>21,704</u>	<u>1,460</u>	<u>-</u>	<u>23,926</u>	<u>18,050</u>
(Losses)/gains on endowment investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>(62)</u>	<u>(62)</u>	<u>97</u>
<b>Net income/(expenditure)</b>		97	(437)	(914)	(62)	(1,316)	20,353
Transfers between funds	21	50	(585)	585	(50)	-	-
<b>Other recognised gains/(losses)</b>							
Actuarial gains/(losses) on defined benefit obligations	28	<u>-</u>	<u>14,366</u>	<u>-</u>	<u>-</u>	<u>14,366</u>	<u>(2,783)</u>
<b>Net movement in funds</b>		147	13,344	(329)	(112)	13,050	17,570
<b>Reconciliation of funds</b>							
Total funds brought forward		<u>2,086</u>	<u>(11,008)</u>	<u>38,546</u>	<u>574</u>	<u>30,198</u>	<u>12,628</u>
Total funds carried forward		<u>2,233</u>	<u>2,336</u>	<u>38,217</u>	<u>462</u>	<u>43,248</u>	<u>30,198</u>

**CRANMER EDUCATION TRUST****BALANCE SHEET****AS AT 31 AUGUST 2022**

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	14		38,233		38,439
Investments	15		462		574
			<u>38,695</u>		<u>39,013</u>
<b>Current assets</b>					
Debtors	16	1,150		704	
Cash at bank and in hand		4,528		4,179	
		<u>5,678</u>		<u>4,883</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	17	(1,641)		(1,419)	
<b>Net current assets</b>			<u>4,037</u>		<u>3,464</u>
<b>Total assets less current liabilities</b>			<u>42,732</u>		<u>42,477</u>
Creditors: amounts falling due after more than one year	18		(15)		-
<b>Net assets before defined benefit pension scheme asset/(liability)</b>			<u>42,717</u>		<u>42,477</u>
Defined benefit pension scheme asset/(liability)	28		531		(12,279)
<b>Total net assets</b>			<u>43,248</u>		<u>30,198</u>
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>	21				
- Restricted fixed asset funds			38,217		38,546
- Restricted income funds			1,805		1,271
- Pension reserve			531		(12,279)
- Endowment funds			462		574
<b>Total restricted funds</b>			<u>41,015</u>		<u>28,112</u>
<b>Unrestricted income funds</b>	21		2,233		2,086
<b>Total funds</b>			<u>43,248</u>		<u>30,198</u>

The financial statements on pages 34 to 63 were approved by the board of trustees and authorised for issue on 20 December 2022 and are signed on their behalf by:

Janet GREGORY

.....  
J Gregory  
Chair of Trust Board

# CRANMER EDUCATION TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022		2021	
	Notes	£'000	£'000	£'000	£'000
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	24		848		876
Cash funds transferred on conversion			-		498
			<u>848</u>		<u>1,374</u>
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		328		2,769	
Purchase of tangible fixed assets		(895)		(3,008)	
Proceeds from sale of investments		<u>50</u>		<u>-</u>	
<b>Net cash used in investing activities</b>			(516)		(238)
<b>Cash flows from financing activities</b>					
New other loan		19		-	
Repayment of other loan		<u>(2)</u>		<u>-</u>	
<b>Net cash provided by/(used in) financing activities</b>			<u>17</u>		<u>-</u>
<b>Net increase in cash and cash equivalents in the reporting period</b>			<u>349</u>		<u>1,136</u>
Cash and cash equivalents at beginning of the year			<u>4,179</u>		<u>3,043</u>
<b>Cash and cash equivalents at end of the year</b>			<u><u>4,528</u></u>		<u><u>4,179</u></u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies

#### General information

Cranmer Education Trust is a Charitable Company (the "Trust"). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' Report.

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

#### Basis of preparation

The financial statements of the Trust have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)); the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

#### Going concern

The Trustees have reviewed and approved budgets and cashflow forecasts for 2022/23 and future years, and considered the following:

The MAT's financial position, its level of reserves, its financial plans (including anticipated student numbers), the demand for places, to ensure that the MAT can continue to operate safely and the inclusion of the financial impact, risks associated with the opening of a new free school, Brian Clarke C of E Academy, on 1 September 2022, and the external environment including the inflationary pressures affecting the economy, both in terms of general price rises and specifically in terms of the effect on pay awards and energy.

In the light of this review the trustees have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern. The trustees therefore consider it appropriate to prepare the financial statements on a going concern basis.

#### Income

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

#### Grants

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

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

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies (Continued)

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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the Trust has provided the goods or services.

#### Donated assets

Where the donated good is a fixed asset or short term asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies or if this donation is considered to be consumed in less than 12 months this will be classified as a current asset.

#### Interest receivable

Interest receivable is included in the SOFA on a receivable basis, and is stated inclusive of related tax credits.

#### Endowment income

Endowment income is recognised in the period it is received.

#### **Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Charitable activities

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies (Continued)

##### **Tangible fixed assets and depreciation**

Assets costing £2,000 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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the SOFA 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 licenced land and assets under construction, so as to write off the cost of assets less their residual values on a straight line basis over their useful lives on the following bases:

Leasehold land and buildings	2% per annum
Plant and machinery	10% per annum
Land - leased	Over life of the lease
Land - licence agreement	No depreciation is charged
ICT/Educational equipment and motor vehicles	20% - 33% per annum
Assets in the course of construction	No depreciation is charged
Major school improvements	5% per annum

Where an asset comprises of two or more components that have substantially different useful lives, each component must be depreciated separately over its useful economic life.

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

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

##### **Liabilities**

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

##### **Leased assets**

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

##### **Investments**

Fixed asset investments are stated at market value.

##### **Financial instruments**

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments. The Trust only holds basic financial instruments as defined in FRS 102.



# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 1 Accounting policies (Continued)

#### Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments and are measured at amortised cost as detailed in note 17. 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.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

#### **Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Pensions benefits**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 1 Accounting policies (Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income are 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 as other comprehensive income. Actuarial gains and losses are recognised immediately as other comprehensive income.

#### **Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the Trustees. Designated funds are unrestricted funds which the Trustees have set aside for specific purposes.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the DfE, ESFA and RSC.

Endowment fund was a trust fund set up by the sponsors of St Anne's CE Academy which was transferred to the Trust on 1 March 2021. It is fully invested in an Endowment Trust Fund run by Fundsmith investors – Fundsmith Equity Fund T Class Inc. The fund is governed by an Endowment policy and any gain in value or dividends received ring fenced for St Anne's use.

#### **Agency arrangements**

The Trust acts as an agent in the administering of 16-19 Vulnerable Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the SOFA to the extent that the Trust does not have a beneficial interest in the individual transactions. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA. The funds received and paid and any balances held are disclosed in note 31.

#### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

The 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.

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 2 Critical accounting estimates and areas of judgement (Continued)

#### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit asset / liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2019 has been used by the actuary in valuing the pensions asset / liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension asset of £531k (2021: £12,279k liability).

As at 31 August 2022, a defined benefit plan asset has been recognised within the financial statements. The amount recognised as an asset has been restricted to the extent that the Trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This has been determined by recognizing the lower of the defined benefit asset and the actuarial valuation of the future service cost over the expected life of the plan.

#### Fixed assets

Fixed asset expenditure in the accounts for the purpose of depreciation is based on an estimate of the expected useful life for each asset involved. Assets have been categorised into set bases of expected life in order to simplify the calculation and disclosure of the basis of depreciation. The amount of depreciation subject to uncertainty is £1,460k (2021: £1,015k). Any change in this estimate would have a resulting impact on the net book value of the assets of £38,233k (2021: £38,439k) stated in the balance sheet. The useful life basis are described in note 1.

#### Critical areas of judgement

In the view of the Trustees, there are no further assumptions concerning the future or estimation uncertainty affecting assets or liabilities at the balance sheet date that are likely to result in a material adjustment to their carrying amounts in the next financial year.

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 3 Statement of financial activities - comparative year information

Year ended 31 August 2021	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Endowment Funds	Total 2021
	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	11	-	2,472	-	2,483
Donations - transfer of existing academy into the trust	337	(2,058)	20,255	477	19,011
Charitable activities:					
- Funding for educational operations	62	15,021	-	-	15,083
- Teaching school	-	1,537	-	-	1,537
Other trading activities	115	76	-	-	191
Investments	1	-	-	-	1
<b>Total</b>	<b>526</b>	<b>14,576</b>	<b>22,727</b>	<b>477</b>	<b>38,306</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	273	15,184	1,015	-	16,472
- Teaching school	-	1,578	-	-	1,578
<b>Total</b>	<b>273</b>	<b>16,762</b>	<b>1,015</b>	<b>-</b>	<b>18,050</b>
Gains on endowment investments	-	-	-	97	97
<b>Net income/(expenditure)</b>	<b>253</b>	<b>(2,186)</b>	<b>21,712</b>	<b>574</b>	<b>20,353</b>
Transfers between funds	-	(241)	241	-	-
<b>Other recognised gains/(losses)</b>					
Actuarial losses on defined benefit pension schemes	-	(2,783)	-	-	(2,783)
<b>Net movement in funds</b>	<b>253</b>	<b>(5,210)</b>	<b>21,953</b>	<b>574</b>	<b>17,570</b>

#### 4 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£'000	£'000	£'000	£'000
Donated fixed assets	-	359	359	-
Capital grants	-	187	187	2,472
Other donations	41	702	743	11
	<b>41</b>	<b>1,248</b>	<b>1,289</b>	<b>2,483</b>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 5 Funding for the Trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Funding for academy trust's educational operations</b>				
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	16,212	16,212	12,623
Other DfE/ESFA grants:				
- Pupil premium	-	803	803	596
- Start up grants	-	270	270	-
- DfE Supplementary grant	-	190	190	-
- Teachers' pension grant	-	87	87	483
- Teachers' pay grant	-	31	31	166
- Others	-	172	172	255
	-	17,765	17,765	14,123
<b>Other government grants</b>				
Local authority grants	-	719	719	603
<b>COVID-19 additional funding (DfE / ESFA)</b>				
Catch-up premium	-	217	217	187
Other DfE/ESFA COVID-19 funding	-	15	15	106
	-	232	232	293
<b>COVID-19 additional funding (non-DfE / ESFA)</b>				
Coronavirus job retention scheme grant	-	-	-	13
Other incoming resources	708	13	721	51
	708	18,729	19,437	15,083
<b>Teaching school</b>				
DfE grants	-	1,101	1,101	1,537
Other income	-	310	310	-
	-	1,411	1,411	1,537

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 5 Funding for the Trust's charitable activities (Continued)

The Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under exceptional government funding.

The funding received for coronavirus exceptional support covers £217k (2021: £187k) of catch-up premium costs, £Nil (2021: £27k) of emergency funding costs, £15k (2021: £79k) of Covid testing costs and £Nil (2021: £13k) of furlough costs. These costs are included in notes 8 and 9 below as appropriate.

The Trust furloughed some of its peri music teachers staff under the government's Coronavirus Job Retention Scheme in the prior year. The prior year funding received of £13k related to staff costs in respect of 3 staff, which are included within note 10 below as appropriate.

#### 6 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	29	-	29	13
Catering income	21	-	21	8
Music tuition	15	-	15	-
Trips	-	229	229	7
Other income	44	196	240	163
	<u>109</u>	<u>425</u>	<u>534</u>	<u>191</u>

#### 7 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Interest from short term deposits	1	-	1	1

#### 8 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2022 £'000	Total 2021 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs	13,001	-	982	13,983	10,551
- Allocated support costs	3,776	2,718	2,117	8,611	5,921
Teaching school					
- Direct costs	63	-	15	78	1,421
- Allocated support costs	120	-	1,134	1,254	157
	<u>16,960</u>	<u>2,718</u>	<u>4,248</u>	<u>23,926</u>	<u>18,050</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 8 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2022 £'000	2021 £'000
Operating lease rentals	47	41
Depreciation of tangible fixed assets	1,460	1,015
Net interest on defined benefit pension liability	214	134
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	36	31
- Other services	5	4
	<u>          </u>	<u>          </u>

### 9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
<b>Direct costs</b>				
Educational operations	-	13,983	13,983	10,551
Teaching school	-	78	78	1,421
<b>Support costs</b>				
Educational operations	762	7,849	8,611	5,921
Teaching school	-	1,254	1,254	157
	<u>762</u>	<u>23,164</u>	<u>23,926</u>	<u>18,050</u>
	<b>Teaching school £'000</b>	<b>Educational operations £'000</b>	<b>Total 2022 £'000</b>	<b>Total 2021 £'000</b>
<b>Analysis of support costs</b>				
Support staff costs	120	3,776	3,896	2,728
Depreciation	-	1,460	1,460	1,015
Technology costs	-	265	265	266
Premises costs	-	1,258	1,258	992
Legal costs	-	21	21	25
Other support costs	1,130	1,780	2,910	1,013
Governance costs	4	51	55	39
	<u>1,254</u>	<u>8,611</u>	<u>9,865</u>	<u>6,078</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2022 £'000	2021 £'000
Wages and salaries	11,659	9,371
Social security costs	1,256	976
Pension costs	3,877	2,775
Staff costs - employees	16,792	13,122
Agency staff costs	157	37
Staff restructuring costs	11	87
Total staff expenditure	16,960	13,246

Staff restructuring costs comprise:

Redundancy payments	11	87
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Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,000 (2021: £Nil). Individually, the payments were £7,000 and £3,866.

#### Exit payments

The Trust paid 2 exit payments in the year, as follows:

£0 - £25,000	2
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#### Staff numbers

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

	2022 Number	2021 Number
Teachers	165	144
Administration and support	190	145
Management	29	26
	384	315



# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 10 Staff (Continued)

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

	2022 Number	2021 Number
Teachers	158	138
Administration and support	135	111
Management	29	25
	<u>322</u>	<u>274</u>

#### Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	12	11
£70,001 - £80,000	3	3
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
£100,001 - £110,000	1	1
£110,001 - £120,000	1	1
	<u>20</u>	<u>17</u>

#### Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £449,000 (2021: £482,000).

### 11 Central services

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

- 1 Payroll services;
- 2 Legal services;
- 3 Audit and accountancy;
- 4 IT infrastructure;
- 5 Website and marketing;
- 6 Finance software;
- 7 Insurance (excluding RPA);
- 8 Human resources;
- 9 Finance services;
- 10 IT support;
- 11 Estates support;
- 12 Data support;
- 13 Strategic leadership;
- 14 Admin Executive Assistant;
- 15 School improvement services;
- 16 HR support

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 11 Central services (Continued)

The Trust charges for these services on the following basis:

- Points 1-9 and 15 - Allocated over the time the Academy is in the Trust and pupil or staff numbers in each Academy
- Points 10-14 and 16 - Allocated over the time the Academy is in the Trust and 35/15/15/35 split secondary/primary/primary/secondary

The amounts charged during the year were as follows:

	2022 £'000	2021 £'000
Mayfield Primary School	130	119
East Crompton St George's CofE Primary School	97	99
The Blue Coat School	431	410
St Anne's Church of England Academy	259	178
Brian Clarke Church of England Academy	-	-
	<u>917</u>	<u>806</u>

Brian Clarke Church of England Academy opened on 1 September 2022

### 12 Trustees' remuneration and expenses

One or more Trustees have been paid remuneration or has received other benefits from employment with the Trust. The Chief Executive Officer only receives remuneration in respect of services they provide undertaking the role of Chief Executive Officer under their contract of employment, and not in respect of their services as Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their roles as Trustees.

The value of Trustees' remuneration and other benefits are as follows:

J A Hollis - Chief Executive Officer:

Remuneration £108,757 (2021: £105,793)

Employer's pension contributions paid £Nil (2021: £Nil)

During the year ended 31 August 2022, travel and subsistence expenses totalling £Nil (2021: £Nil) were reimbursed to £Nil (2021: £Nil) Trustees of the Trust.

Any other related party transactions involving the Trustees are set out in note 29.

### 13 Trustees and officers' insurance

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

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 14 Tangible fixed assets

	Leasehold land and buildings	Plant and machinery	ICT/ Educational equipment and motor vehicles	Assets in the course of construction	Major school improvement	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 September 2021	34,811	880	2,121	387	5,859	44,058
Transfer on conversion	-	-	-	(486)	486	-
Additions	-	147	237	547	323	1,254
Disposals	-	-	(486)	-	-	(486)
At 31 August 2022	34,811	1,027	1,872	448	6,668	44,826
<b>Depreciation</b>						
At 1 September 2021	2,296	353	1,545	-	1,425	5,619
On disposals	-	-	(486)	-	-	(486)
Charge for the year	759	93	261	-	347	1,460
At 31 August 2022	3,055	446	1,320	-	1,772	6,593
<b>Net book value</b>						
At 31 August 2022	31,756	581	552	448	4,896	38,233
At 31 August 2021	32,515	527	576	387	4,434	38,439

### 15 Fixed asset investments

	Investments £'000
<b>Market value</b>	
At 1 September 2021	574
Disposals at opening book value	(50)
Change in value in the year	(62)
At 31 August 2022	462
<b>Historical cost:</b>	
At 31 August 2022	574
At 31 August 2021	574

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 15 Fixed asset investments (Continued)

At the year end the investments were carried at a market value of £462,000 (2021: £574,000). On 1 March 2021, investments valued at £477,000 were transferred into Cranmer Education Trust on the acquisition of St Anne's Academy. During the year £50,000 (2021: £nil) were disposed in accordance with the endowment policy. The investment portfolio depreciated in value by £62,000 (2021: £97,000 gain).

This inherited investment is an endowment fund, held in a managed stock equity fund and the value is an original endowment made to St Annes plus net appreciation/ depreciation of value. The historical cost is the original value the investment was transferred over at amounting to £574,000.

### 16 Debtors

	2022 £'000	2021 £'000
Trade debtors	50	16
VAT recoverable	52	119
Other debtors	74	-
Prepayments and accrued income	974	569
	<u>1,150</u>	<u>704</u>

### 17 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Government loans	2	-
Trade creditors	102	133
Other taxation and social security	306	279
Other creditors	158	262
Accruals and deferred income (see note 19)	1,073	745
	<u>1,641</u>	<u>1,419</u>

### 18 Creditors: amounts falling due after more than one year

	2022 £'000	2021 £'000
Government loans	15	-
	<u>15</u>	<u>-</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 18 Creditors: amounts falling due after more than one year (Continued)

	2022 £'000	2021 £'000
<b>Analysis of loans</b>		
Wholly repayable within five years	17	-
Less: included in current liabilities	(2)	-
	<u>15</u>	<u>-</u>
Amounts included above	<u>15</u>	<u>-</u>
<b>Loan maturity</b>		
Debt due in one year or less	2	-
Due in more than one year but not more than two years	4	-
Due in more than two years but not more than five years	7	-
Due in more than five years	4	-
	<u>17</u>	<u>-</u>

Included within other creditors is a loan of £17,580 from Department for Education through Salix Finance which is provided as part of Condition Improvement Funding received in 21-22. The loan is interest free and is paid via an abatement of GAG income. The payment profile is two instalments per year of £1,172 over 8 years, starting in March 2022, final payment in September 2029.

### 19 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	69	75
	<u>69</u>	<u>75</u>
Deferred income at 1 September 2021	75	29
Released from previous years	(75)	(29)
Resources deferred in the year	69	75
	<u>69</u>	<u>75</u>
<b>Deferred income at 31 August 2022</b>	<u>69</u>	<u>75</u>

At the balance sheet date the Trust was holding funds received in advance in relation to rates relief from ESFA of £33,000 (2021: £26,000), universal free school meals £23,000 (2021: £17,000) and income in advance in relation to teaching school of £Nil (2021: £32,000) and SCITT bursary income of £13,000 (2021: £Nil).

The year end balance of £69,000 is expected to be released in the 2022/23 year.

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 20 Financial instruments

The Trust has the following financial instruments measured at fair value through profit or loss at 31 August:

	<b>2022</b> <b>£'000</b>	<b>2021</b> <b>£'000</b>
Carrying amount of financial assets	<u>462</u>	<u>574</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 21 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	433	16,212	(16,060)	(585)	-
Pupil premium	-	803	(803)	-	-
Start up grants	-	270	(270)	-	-
Teachers' pension grant	-	87	(87)	-	-
Teachers' pay grant	-	31	(31)	-	-
Other grants	-	362	(362)	-	-
Catch-up premium	-	217	(217)	-	-
Other DfE/ESFA COVID-19 funding	-	15	(15)	-	-
Other government grants	-	719	(719)	-	-
Teaching school	(3)	1,411	(1,332)	-	76
Other restricted funds	841	1,140	(252)	-	1,729
Pension reserve	(12,279)	-	(1,556)	14,366	531
	<u>(11,008)</u>	<u>21,267</u>	<u>(21,704)</u>	<u>13,781</u>	<u>2,336</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	29,537	-	(837)	-	28,700
DfE group capital grants	7,608	546	(358)	-	7,796
Capital expenditure from GAG	1,401	-	(265)	585	1,721
	<u>38,546</u>	<u>546</u>	<u>(1,460)</u>	<u>585</u>	<u>38,217</u>
Restricted endowment fund	<u>574</u>	<u>-</u>	<u>-</u>	<u>(112)</u>	<u>462</u>
<b>Total restricted funds</b>	<u>28,112</u>	<u>21,813</u>	<u>(23,164)</u>	<u>14,254</u>	<u>41,015</u>
<b>Unrestricted funds</b>					
Inherited on conversion	64	-	-	50	114
Inherited funds	105	-	-	-	105
Unrestricted funds	1,917	859	(762)	-	2,014
	<u>2,086</u>	<u>859</u>	<u>(762)</u>	<u>50</u>	<u>2,233</u>
<b>Total funds</b>	<u>30,198</u>	<u>22,672</u>	<u>(23,926)</u>	<u>14,304</u>	<u>43,248</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### 21 Funds (Continued)

The Trust is not subject to GAG carry forward limits.

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

During the year £585,000 of restricted general funds were transferred to fixed asset reserves to be utilised on capital acquisitions. The remaining £1,805k of restricted funds, excluding pension deficit, will be allocated in line with the strategic objectives of the Trust in priority to unrestricted funds.

The value of unrestricted reserves is £2,233,000 (2021: £2,086,000). These are freely available for general purposes and will be allocated in line with the strategic objectives of the Trust.

Restricted fixed asset reserves total £38,217,000 (2021: £38,546,000) and includes the value of the assets and capital balances transferred by the local authority and the Manchester Diocesan Board of Education to the Trust on conversion of the secondary school in 2011, the two primary schools in period ended 31 August 2016 and St Anne's CofE Academy in 2021. The restricted fixed asset reserve also includes the funding of assets through grant income since conversion, any balance on capital funds received in the period and not spent £Nil (2021: £Nil) and is reduced by annual depreciation charges over the expected useful life of the assets concerned. Condition Improvement Funding of £29,000 has been accounted for in this period as required by the accounting policies to accrue funding not yet received when the grant is not conditional. However this resulted in no carry forward of capital funds as expenditure was matched against this funding.

The endowment fund was a trust fund set up by the sponsors of St Anne's CE Academy which was transferred to the Trust on 1 March 2021. It is fully invested in an Endowment Trust Fund run by Fundsmith investors. The fund is governed by an Endowment policy and any gain in value or dividends received ring fenced for St Anne's use. Under the terms of the endowment, the level of reserves must be maintained to ensure that funds remain above the original investment level.



# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 21 Funds (Continued)

#### Funds prior year

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	12,623	(11,949)	(241)	433
Pupil premium	-	596	(596)	-	-
Teachers' pension grant	-	483	(483)	-	-
Teachers' pay grant	-	166	(166)	-	-
Other grants	-	255	(255)	-	-
Catch-up premium	-	187	(187)	-	-
Other DfE/ESFA COVID-19 funding	-	106	(106)	-	-
Other government grants	-	603	(603)	-	-
Teaching school	38	1,537	(1,578)	-	(3)
Other restricted funds	658	183	-	-	841
Pension reserve	(6,494)	(2,163)	(839)	(2,783)	(12,279)
	<u>(5,798)</u>	<u>14,576</u>	<u>(16,762)</u>	<u>(3,024)</u>	<u>(11,008)</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	9,820	20,255	(538)	-	29,537
DfE group capital grants	5,410	2,472	(274)	-	7,608
Capital expenditure from GAG	1,363	-	(203)	241	1,401
	<u>16,593</u>	<u>22,727</u>	<u>(1,015)</u>	<u>241</u>	<u>38,546</u>
Restricted endowment fund	-	477	-	97	574
<b>Total restricted funds</b>	<u>10,795</u>	<u>37,780</u>	<u>(17,777)</u>	<u>(2,686)</u>	<u>28,112</u>
<b>Unrestricted funds</b>					
Inherited on conversion	-	337	(273)	-	64
Inherited funds	105	-	-	-	105
Unrestricted funds	1,728	189	-	-	1,917
	<u>1,833</u>	<u>526</u>	<u>(273)</u>	<u>-</u>	<u>2,086</u>
<b>Total funds</b>	<u>12,628</u>	<u>38,306</u>	<u>(18,050)</u>	<u>(2,686)</u>	<u>30,198</u>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 21 Funds (Continued)

#### Total funds analysis by academy

	2022 £'000	2021 £'000
Fund balances at 31 August 2022 were allocated as follows:		
Mayfield Primary School	101	139
East Crompton St George's CofE Primary School	116	57
The Blue Coat School	1,004	1,432
St Anne's Church of England Academy	1,029	1,147
Brian Clarke Church of England Academy	716	-
Central services	1,534	1,156
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	4,500	3,931
Restricted fixed asset fund	38,217	38,546
Pension reserve	531	(12,279)
	<hr/>	<hr/>
Total funds	43,248	30,198
	<hr/>	<hr/>

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
Mayfield Primary School	1,003	124	156	476	1,759	1,333
East Crompton St George's CofE Primary School	631	149	90	275	1,145	1,206
The Blue Coat School	7,112	1,083	1,121	2,124	11,440	9,573
St Anne's Church of England Academy	3,760	562	319	1,111	5,752	2,427
Brian Clarke Church of England Academy	131	44	28	4	207	-
Central services	279	701	9	1,174	2,163	1,659
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12,916	2,663	1,723	5,164	22,466	16,198
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 22 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed asset Funds £'000	Endowment Funds £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>					
Tangible fixed assets	-	-	38,233	-	38,233
Fixed asset investments	-	-	-	462	462
Current assets	2,233	3,444	1	-	5,678
Current liabilities	-	(1,639)	(2)	-	(1,641)
Non-current liabilities	-	-	(15)	-	(15)
Pension scheme asset	-	531	-	-	531
<b>Total net assets</b>	<b>2,233</b>	<b>2,336</b>	<b>38,217</b>	<b>462</b>	<b>43,248</b>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
<b>Fund balances at 31 August 2021 are represented by:</b>					
Tangible fixed assets	-	-	38,439	-	38,439
Fixed asset investments	-	574	-	-	574
Current assets	2,086	2,116	107	574	4,883
Current liabilities	-	(1,419)	-	-	(1,419)
Pension scheme liability	-	(12,279)	-	-	(12,279)
<b>Total net assets</b>	<b>2,086</b>	<b>(11,008)</b>	<b>38,546</b>	<b>574</b>	<b>30,198</b>

### 23 Long-term commitments

#### Operating leases

At 31 August 2022 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	48	43
Amounts due between one and five years	35	29
	<b>83</b>	<b>72</b>

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 24 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	Notes	2022 £'000	2021 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(1,316)	20,353
Adjusted for:			
Net surplus on transfer of academy in the trust		-	(19,011)
Capital grants from DfE and other capital income		(546)	(2,472)
Interest receivable	7	(1)	(1)
Pension costs less contributions payable	28	1,342	705
Pension scheme finance costs	28	214	134
Depreciation of tangible fixed assets		1,460	1,015
Gain on endowment		62	(97)
<b>Movements in working capital:</b>			
(Increase)/decrease in debtors		(587)	5
Increase in creditors		220	301
Stocks, debtors and creditors transferred on conversion		-	(56)
<b>Net cash provided by operating activities</b>		<b>848</b>	<b>876</b>

#### 25 Capital commitments

	2022 £'000	2021 £'000
Expenditure contracted for but not provided in the financial statements	143	146

#### 26 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	Other non- cash changes £'000	31 August 2022 £'000
Cash	4,179	349	-	4,528
Loans falling due within one year	-	-	(2)	(2)
Loans falling due after more than one year	-	-	(13)	(15)
	<b>4,179</b>	<b>349</b>	<b>(15)</b>	<b>4,511</b>

#### 27 Members' liability

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

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

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### 28 Pension and similar obligations

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

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

Contributions amounting to £Nil (2021: £275,000) were payable to the schemes at 31 August 2022 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. Retirement and other pension benefits are paid by public funds provided by Parliament. The Trust has set out below the information available on the scheme.

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards. The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £1,866,093 (2021: £1,537,516).

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

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

#### 28 Pension and similar obligations (Continued)

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.6 to 23.4% for employers between 2022 and 2023 and 2.8 to 11.7% 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.

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	739	540
Employees' contributions	212	167
Total contributions	951	707

##### Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2022 by a qualified independent actuary.

	2022 %	2021 %
Rate of increase in salaries	3.8	3.7
Rate of increase for pensions in payment/inflation	3.05	2.9
Discount rate for scheme liabilities	4.25	1.7

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

	2022 Years	2021 Years
Retiring today		
- Males	20.3	20.5
- Females	23.2	23.3
Retiring in 20 years		
- Males	21.6	21.9
- Females	25.1	25.3

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

### 28 Pension and similar obligations (Continued)

The Trust's share of the assets in the scheme	2022 Fair value £'000	2021 Fair value £'000
Equities	11,747	11,426
Bonds	2,383	2,413
Cash	1,532	1,127
Property	1,362	1,127
Total fair value of assets	17,024	16,093

The actual return on scheme assets was £220,000 (2021: £2,110,000).

Amount recognised in the statement of financial activities	2022 £'000	2021 £'000
Current service cost	2,081	1,245
Net interest cost	214	134
Total operating charge	2,295	1,379

Changes in the present value of defined benefit obligations	2022 £'000
At 1 September 2021	28,372
Current service cost	2,020
Interest cost	485
Employee contributions	212
Actuarial (gain)/loss	(14,417)
Benefits paid	(240)
Past service cost	61
At 31 August 2022	16,493

Changes in the fair value of the Trust's share of scheme assets	2022 £'000
At 1 September 2021	16,093
Interest income	271
Return on plan assets (excluding net interest on the net defined pension liability)	(51)
Employer contributions	739
Employee contributions	212
Benefits paid	(240)
At 31 August 2022	17,024

# CRANMER EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2022

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#### **28 Pension and similar obligations (Continued)**

The pension valuation included above reflects the current experience of CPI, which is seen as a current experience item included in actuarial gains/losses in the Statement of Financial Activities and does not impact on the rate of CPI disclosed within actuarial assumptions as that is the long-term rate.

#### **29 Related party transactions**

No related party transactions took place in the period of account other than certain trustee's remuneration and expenses already disclosed in note 12.

#### **30 Post balance sheet events**

In September 2022 Cranmer Education Trust opened a new free school, Brian Clarke Church of England Academy in a temporary provision on the Bluecoat School premises with a new permanent site currently under construction which is expected to be handed over by the Dfe in April/May 2023.

#### **31 Agency arrangements**

The Trust distributes 16-19 Vulnerable Bursary Funds to students, on behalf of the ESFA. In the year the Trust received £3,600 (2021: £1,200) of vulnerable bursary and disbursed £2,640 (2021: £1,200) to the relevant students from the fund. The Trust had no beneficial interest in these transactions.