



THE YARE EDUCATION TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Michael Garratt
Nicholas Hancox (resigned 12 February 2020)
Bryan Slater
Samantha Swinnerton
Philippa Redmond (appointed 10 June 2020)

Trustees

Linda Steynor, Chair
Ian Clayton MBE, Chief Executive (resigned 31 August 2020)
Alfonso Gotts (resigned 1 July 2020)
Anne Gibson
Gary Leverett
Owen Jenkins
Paul Tacon
Peter Harwood
Peter Lamble

Company registered number

10301555

Company name

The Yare Education Trust

Principal and registered office

Trust Central Office, Longfields Road, Norwich, Norfolk, NR7 0NB

Chief Executive Officer

Ian Clayton MBE (resigned 31 August 2020)
Clare Fletcher (Acting Chief Executive from 1 September 2020)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Senior Management Team

Helen Plowman, Headteacher at Bluebell Primary School
Daren Goffin, Chief Finance Officer
Penny Bignell, Principal at Thorpe St Andrew School and Sixth Form
Clare Fletcher, Director of Schools for The Yare Education Trust
Andrew Phoenix, Headteacher at Hillside Avenue Primary and Nursery School
Louise Norgate, Headteacher at Dussindale Primary School
Kendra Collier, Headteacher at Hemblington Primary School
Jo Read, Executive Headteacher at North Walsham Infant and Junior School Federation

Independent auditors

MA Partners Audit LLP, 7 The Close, Norwich, Norfolk, NR1 4DJ

THE YARE EDUCATION TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

Since the last report The Yare Education Trust welcomed Bluebell Primary School and now operates seven academies for pupils/students aged 3 to 19. Currently there is one secondary school and sixth form, four primary schools and a federation of junior and infant school.

Structure, governance and management

a. CONSTITUTION

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

The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The Trustees of The Yare Education Trust are also the Directors of the charitable company for the purposes of company law.

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.

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

An employee of the Trust will not be a Member of the Trust, except for the Chief Executive Officer. The Members of the Trust shall comprise the signatories to the Memorandum provided that at any time the minimum number of Members shall not be less than three. The Members may agree by passing a special resolution to appoint such additional Members as they think fit.

Members of the Trust may appoint by ordinary resolution up to 12 Trustees. The total number of Trustees who are employees of the Trust shall not exceed one third of the total number of Trustees. Providing that the Chief Executive Officer agrees so to act, the Members may by ordinary resolution appoint the Chief Executive Officer as a Trustee.

Trustees are recruited according to the skills and experience they can bring to the Trust to ensure the fulfillment of the Trust's aim and to comply with any legal and safeguarding requirements. A Skills Audit will be undertaken annually and the Trustee role description, responsibilities and person specification, as outlined in the Scheme of Delegation, are used to recruit people with the correct skills to complement the Board. The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re appointed or re elected at a General Meeting.

The Trustees are expected to adhere to the 'Nolan' Principles: The 'Seven Principles of Public Life': selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

The Trustees shall each school year elect a Chair and a Vice Chair from among their number. A Trustee who is employed by the Trust shall not be eligible for election as Chair or Vice Chair. Resignation and re election arrangements are as set out in Article 84 and 85 of the Articles of Association.

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

A full induction programme is in place for new schools joining the Trust and new Trustees. The programme aims to:

- provide an understanding of the nature of the Trust and its purpose
- establish links with new and existing schools and members of its community
- assist in understanding the Trust's objectives, policies and ethos.

The focus is on governance but all involved in the Trust should have a full understanding of the organisation in order to fully embed the Trust's ethos.

Training is offered to Trustees and Governors to enable them to perform their role effectively. This is identified through the annual skills audit.

During the period, the Trust subscribed to the Governance Services offered by Educator Solutions. Professional development also took place through the Trust's Teaching School and training by other providers is also considered and encouraged.

A policy for Members, Trustees, Governors and Staff business and personal interests is maintained.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

f. ORGANISATIONAL STRUCTURE

The full Organisational Structure and Decision Matrix, detailing accountability and responsibilities is provided in the Scheme of Delegation, Appendices 1 and 13.

The governance of the Trust is defined in the Memorandum and Articles of Association and the funding agreement with the Department for Education.

Meetings of the Full Trustee Board take place three times a year as do the Standards and Audit Committee, Staffing and Remuneration Committee and the Finance Committee.

The Chief Executive Officer is the Accounting Officer.

Local Governing Boards of schools within the Trust are accountable for adhering with the Scheme of Delegation. Each school, through earned autonomy, is responsible for its own staffing structures and budget ensuring adherence to safer recruitment processes.

A Trust Improvement and Development Plan ensures robust reporting and monitoring to the Trustee Board.

The Chief Executive Officer and Director of Schools meet regularly with the Headteacher's of each school to ensure the strategic vision of the Trust is followed.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trust outlines its arrangements for setting the pay and remuneration of key management personnel in its Pay Policy, which is reviewed annually by the Trustees.

The Trust has a Staffing and Remuneration Committee which has an oversight of staff appointed to the Central Team of the Trust, including decisions relating to remuneration and appraisal arrangements.

Pay and remuneration for staff in individual schools is delegated to each Local Governing Board as outlined in the Scheme of Delegation. The Trust's Pay Policy follows the Teachers' Pay and Conditions Document and adheres to Local Government arrangements for associate staff.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

h. TRADE UNION FACILITY TIME

Relevant union officials

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

Percentage of time spent on facility time

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

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

Total cost of facility time	9,838	
Total pay bill	14,408,909	
Percentage of total pay bill spent on facility time	0.07	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	N/A	%
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i. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

All the schools within the Trust have a 'Friends of' which work to raise funds for the schools, as listed below:

The Friends of Hillside Avenue (1032433)

Dussindale Primary School Parent Teacher and Friends Association (1140469)

Friends of Hemblington School (1035031)

Friends of Thorpe St Andrew School (276049)

Friends of the Federation of North Walsham Junior, Infant School and Nursery (1091997)

Bluebell Primary School does have a 'Friends of' group, although this did not function in the last academic year.

In addition, Thorpe St Andrew School and Sixth Form has a School Development Trust (1081318), raising funds for the provision of resources that would otherwise not be provided.

The Trust does not have a formal sponsor.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management (continued)

j. ENGAGEMENT WITH EMPLOYEES (INCLUDING DISABLED PERSONS)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's equal opportunities policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

k. ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS IN A BUSINESS RELATIONSHIP WITH THE TRUST

As a matter of general practice, the Trust will look to carefully assess all prospective trading partners, in order that the high standards of provision within a strict value for money model can be achieved. Further elaboration on this aspect is incorporated within the relevant section of this report.

At a timescale linked to the nature of the business supplied and hence contract, monitoring meetings are undertaken to ensure operations continue smoothly and efficiently. Where larger contractors are involved albeit for more day to day requirements, the opportunity to develop specific contacts points has been taken. Due to the complexities that have arisen over the year, the Trust has needed to build trading relationships with a number of new suppliers in new areas of provision, in addition to maintaining existing long term business arrangements.

The requirement to operate in a challenging and changed environment, has meant more regular liaison with all parties has been paramount, to ensure the safety and well-being of all has been prioritised. Whilst maintaining strict and appropriate compliance with restrictions in force during the second half of the trading period, the Trust has undertaken remedial and other necessary works where at all possible in order that the Trust estate has been improved.

The various aspects of Government guidance around treatment of suppliers across a range of business activities seen during 2020 in particular, have been carefully considered to ensure the Trust has dealt with all parties on a fair and consistent basis.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

a. OBJECTS AND AIMS

The Objects of the Trust are as detailed in the Articles of Association. The main purpose is to advance for the public benefit free education and care for pupils/students of different abilities between the ages of 3 and 19, within its local community. Also, for the benefit of the local communities, the provision of facilities for recreation.

Vision

The Yare Education Trust is a collaborative group of school communities, formally partnering each other in a Multi Academy Trust.

The Trust schools are united in their vision for education in the communities they serve. At their heart is a commitment to every child and young person from the age of 3 to 19 in the area served by the schools that would ensure:

- the best possible educational experience for all pupils/students
- a culture of high aspiration
- an environment where each pupil/student is nurtured and can develop their full potential
- an emphasis on continuity of learning across all age ranges
- the celebration of the diversity and uniqueness of each individual's skills and abilities
- a climate which harnesses enthusiasm and makes learning enjoyable
- the well-being of the whole child: socially, physically, mentally, emotionally and spiritually.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Aims and Aspirations

The Trust's aim is to ensure that every child within the community enjoys the best possible education, that pupils/students should achieve academic success, but also that the educational experience that each child receives should include helping them to understand the need for respect and responsibility. Equally, that a good education should include activities beyond the academic curriculum such as sport, fieldwork and educational visits.

Each of the schools in the Trust has a unique identity which we wish to retain. It is also recognised that there are individual strengths within each school from which the rest of the Trust can learn. Parents can be confident that in whichever school they choose in the Trust, their child will receive an excellent, broad based education which will form a solid foundation for progression to the next stage of their development.

To ensure children and young people achieve success, the Trust has a culture of reflective professional growth by every member of staff, matched with a relentless approach to staff development. This equips teams to the highest standards and ensures high expectation influences all our actions.

The Trust's aspirational outcomes are that:

- each school is professionally led and governed
- each pupil/student is expected to make progress at least in line with, and for the majority above, national expectations
- all teachers are motivated to be self improving and aspire to be outstanding in all they do
- learning and teaching practices are exemplary
- each school has the support of its pupils/students, parents and the community.

In working together within and beyond the Trust, we believe in the synergy of what we can offer: that our combined experience and expertise are greater than the sum of our individual qualities.

Strategies

The overarching strategy is embedded into the Trust's vision outlined above. The Trust Improvement and Development Plan for the year was focused on the following:

Quality of Learning, Teaching and Curriculum:

Master Teacher Programme (Primary and Secondary)
Middle and senior leader training
Moderation
Embed learning Networks
Intervention and Support
Teacher Recruitment Plan

Leadership and Management:

Staff Wellbeing Support
Development of support structures to leaders including school to school support
Analyse all budget lines and increase Trust income
School Self Review Processes
Manage the further growth of the Trust
Local Governing Boards

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities (continued)

Common Management Systems

Finance Review: Budget, Facilities and Information Technology

Marketing Strategy

Trust Growth

c. PUBLIC BENEFIT

The Trustees believe that by working towards the objects and aims as written in this report, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

ACHIEVEMENTS AND PERFORMANCE

Key achievements include:

- Trust annual Self Review processes embedded
- The continued growth of the Teaching School's offer of professional development to Trust schools and the wider network
- Ensuring high quality School Improvement and Development Plans in schools to support the Trust Improvement and Development Plan
- Curriculum and assessment procedures are embedded and will develop further
- Master Teacher Programme (Two) used in all schools as part of their CPD offer
- Consistent approach to teacher and associate staff professional development reviews applied
- The continued development of the Central Team and Central Office space
- Marketing strategy used successfully to attract one additional school to the Trust
- Continued work on staff well-being and reducing workload
- Continuing to develop strategies in order to be seen as an Employer of Choice
- Headteacher appointment processes online established and three successful appointments made
- Reviews of finance monitoring and related policies have taken place to ensure compliance with requirements
- GDPR processes developed for the annual audit
- Agreement of process of monitoring by Members and applied from September 2020

Ofsted Gradings for Individual Schools:

Bluebell Primary School (not yet inspected; legacy Ofsted grading Good, May 2016)

Dussindale Primary School (Good, June 2019)

Hemblington Primary School (not yet inspected; legacy Ofsted grading Good, July 2017)

Hillside Avenue Primary and Nursery School (not yet inspected; legacy Ofsted grading Good, 2015)

North Walsham Junior School (not yet inspected; legacy Ofsted grading Good, July 2015)

North Walsham Infant School and Nursery (not yet inspected; legacy Ofsted grading Outstanding, July 2008)

Thorpe St Andrew School and Sixth Form (not yet inspected; legacy Ofsted grading Outstanding, 2014; National Teaching School)

School Results – Summer 2020

There were no examinations or tests in 2020.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

a. KEY PERFORMANCE INDICATORS

At each meeting, Trustees receive information to enable monitoring of each school's performance and the Trust as a whole.

Key Performance Indicators include:

Performance Area	Target Performance Measure
Vision and Ethos	The Trust has a clear three to five-year vision which has been used to identify strategic priorities.
Academic Standards	Measures at Key Stages 2, 4 and 5 to show positive value added and be above the Norfolk and National average.
Attendance and Behaviour	Overall attendance in all schools to be above national average and in the top 25% of schools nationally. Persistent absence to be below national average in all schools. The level of permanent and fixed term exclusions (as a percentage of the pupil/student group and enrolment) to be below national averages. The gap between pupil premium and non-pupil premium children, on attendance and behaviour measures, to be below the national average.
Recruitment and Retention	All schools to be over subscribed for entry into Reception and Year 7 as appropriate. All schools to be full in all year groups. All schools to have a full staffing complement in September of each academic year. The number of staff leaving due to retirement and promotion is greater than all other reasons for leaving the Trust's employment. Positive data in pupil/student, parent and staff voice surveys.
Finance	Audit reports identify no high risk aspects to the functioning of the Trust or its schools. Rolling three year finance and capital strategies are used to make key spending decisions and identify efficiencies.
Governance	Full and timely submission of Annual Report and Financial Statements to Companies House. Attendance at both Trust and Local Governing Board levels to be 93% or above over the academic year. Formal Schemes of Delegation are produced and reviewed annually.

The Key Performance Indicators are in addition to the Trust Improvement and Development Plan and the Terms of Reference of each Committee. The Plan for the forthcoming year will focus on:

Pupil/Student Outcomes; with the objective that all measures are above national average in every school.

Pupil/Student Development, Behaviour and Welfare; with the objective that all young people enjoy school and thrive in the school community in which they work.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

Quality of Teaching and Learning; with the objective that teaching to be at least good and much outstanding

Leadership and Management; to ensure all schools' leadership and management is judged outstanding

Growth of the Trust

Economies of Scale and Income Generation

b. GOING CONCERN

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

ACHIEVEMENTS AND PERFORMANCE (continued)

c. PROMOTING THE SUCCESS OF THE COMPANY

Trustees have sought to ensure the continued success of the Trust into the future.

In doing so, they have had due regard to the risks of all decisions made, confident that their diligence in these matters has mitigated any risks through the actions agreed.

Minutes of Trustee and Member meetings have recorded the reasons for all decisions.

- The Trust's Business Plan, Improvement and Development Plan and Scheme of Delegation have been reviewed and amended so that likely consequences of all decisions in the long term have been considered.
- Employee wellbeing has been a strategic consideration in all decision making.
- The excellent reputation of the Trust has been maintained through having close and transparent business relationships with suppliers and all stakeholders.
- The Estates and Facilities Manager has ensured the impact of the Trust's operations on the community and the environment are included in her analyses and assessments.
- In all business conduct and relationships with schools and stakeholders, the Trust's Board has worked fully within the Nolan principles, maintaining a reputation for high standards in its work.
- Trustees have ensured they have acted fairly in all operations and conduct of business through their adherence to a corporate Governance code of conduct.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report (continued)

Financial review

a. RESERVES POLICY

The Trust's policy for reserves is to maintain an appropriate level of financial reserves, as considered essential in protecting the Trust from financial risks, for example:

- Income reduction due to government funding changes
- Unexpected falls in student numbers
- Cash flow issues due to delays in receipt of funding
- Emergencies

The Trust considers it prudent to maintain a level of useable reserves sufficient to cover unexpected and unplanned events so that the Trust's charitable aims and objectives are achieved. At the same time the Trust wishes to ensure that it uses its funding to benefit the pupils/students in its care which implies an imperative to consider actively the use of reserves to enhance educational provision.

The Board of Trustees monitors levels of reserves in financial reports provided by the Chief Finance Officer and in the annual financial statements. Trustees will look to ensure that a prudent level of reserves is maintained, bearing in mind the recurrent spending needs to ensure high quality provision. In deciding the level of reserves, Trustees will take into account the following:

- One and a half month's salary costs
- The Trust's annual budget
- The need for any large project spend such as facilities development or building condition needs
- Any uncertainty, turbulence or expected reduction in funding arrangements, including the level of transitional protection within the school funding and its expiry date
- Anticipated funding over the next three years.
- To allow flexibility for the Trust to support any of its school that may require assistance.

In line with this rationale, the Trust holds sufficient funds to cover one and a half month's total salary costs (approximately £1,830,000) and a further £300,000 non salary costs, as detailed within the annual budget. In addition, reserves of £220,000 are currently held for future capital projects.

The Trust has received a further School Condition Allocation, at an increased level to the previous year. Whilst a comprehensive programme of works has been completed, the Trust will carry forward c£713,000 into 2020-2021 for utilisation on various projects, some of which due to timing were not fully completed in 2019-2020.

At this stage for the Trust the level of reserves currently held are significantly higher than the stated rationale due to the recognition of funds from the Local Authority on conversion. These additional funds also provide a safeguard against the current uncertainties around ongoing funding levels and other cost pressures. A proportion of these monies have been designated as shown in note 18.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

b. INVESTMENT POLICY

The Investment Policy sets out the processes by which the Trustees will meet their duties under the Articles of Association and Academies Financial Handbook, to invest monies surplus to operational requirements in furtherance of the Trust's charitable aims and to ensure that investment risk is properly and prudently managed.

The Trust aims to manage its cash balances to ensure it can meet its financial commitments when they fall due, whilst protecting, as far as possible the capital value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns whilst ensuring the investment instruments are such that there is no risk to the loss of these cash funds.

The investment objectives are to:

- ensure adequate cash balances are maintained in the current account to cover day to day working capital requirements
- only invest funds surplus to operational need based on all financial commitments being met without the Trust and School bank accounts becoming overdrawn
- ensure there is no risk of loss in the capital value of any cash funds invested
- protect the capital value of any invested funds against inflation as far as possible
- optimise returns on invested funds. By complying with this policy, all investment decisions should be exercised with care and skill and consequently be in the best interests of The Yare Education Trust's charitable aims and objectives.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

c. PRINCIPAL RISKS AND UNCERTAINTIES

The Trust has a Risk Management Strategy and has structured its risks using the following approach:

- Strategic and Reputational risks – concern the long term strategic objectives of the Trust. For example, failure to recognise sector message.
- Operational risks – concern the day to day issues that the organisation is confronted with as it strives to deliver its strategic objectives.
- Financial risks – concern the effective management and control of the finances of the Trust.
- Compliance risks – concern such issues as health and safety, environmental, trade subscriptions, consumer protection, data protection, employment practices and regulatory issues.

The Trust has a Risk Register in place and the principle risks faced which would stop it achieving its objectives include but are not limited to the following:

- Covid-19 related requirements and dealing with any confirmed cases in schools or related staff/families.
- Variation in pupil/student numbers impacting negatively on overall school budgets.
- Trust grows too quickly or too slowly.
- Changes to the National Funding Formula and other funding changes resulting in loss/changes in funding allocations.
- Failure to recruit or retain sufficient high quality school leaders, teachers or associate staff.
- Non achievement of long and medium term accommodation strategy resulting in inadequate, unattractive or unsustainable premises.
- Failure of key infrastructure components leading to unplanned closures.
- Poor condition and suitability of buildings requiring major building work to repair/replace.
- A change in leadership of a school within the Trust, putting the shared values and vision of the Trust at risk.
- Failure to deliver IT/failure of IT equipment to staff to carry out their activities which leads to poor student experience and low staff morale.
- Health and Safety non-compliance.
- GDPR non-compliance

The Trust's Full Board reviews the Risk Register and monitors the identification and mitigation of risk in the Trust. Any items requiring attention are dealt with by the relevant Committee which then reports back to the Full Board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

d. OVERALL REVIEW

The main source of funding for the Trust is the General Annual Grant (GAG) that it obtains from the ESFA and along with other grants it is restricted to particular purposes. For the accounting period ended 31 August 2020 the Trust received total income of £22,343,896, of which 65% is spent on salary and supply costs to deliver the Trust's primary objective of the provision of education.

Expenditure is monitored monthly on an ongoing basis in accordance with maintaining and reporting a three year budget which is reviewed and approved by the Trustees.

The balance sheet also reflects a pension scheme deficit of £9,296,000 following a valuation of the Local Government Pension Scheme. The pension scheme deficit is recognised against restricted funds and detail is provided in note 26.

The financial position of the Trust at the end of the accounting period is detailed in the financial statements. At 31 August 2020, the Trust held free reserves of £2,739,683 which does not include funds of £74,186 which have been designated.

The Trustees have a clear plan for investing the current surplus and this is outlined in the Reserves Policy.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

FUNDRAISING

The Trustees support fundraising in order to enhance the educational provision and experiences of the pupils/students.

The Teaching School generates income by offering professional development opportunities.

Each school within the Trust has a Parent Teacher Association or equivalent which raises funds for its particular school. Pupils/students may also arrange suitable fundraising events. In order to protect the public, including vulnerable people, fundraising does not include unreasonably intrusive or persistent fundraising approaches, or undue pressure to donate.

Any complaints are recorded and reported to the Trust Board. During the financial period, no complaints were received about fundraising.

Each school's Local Governing Board reviews plans, budgets, forecasting and strategy and also works closely with the Parent Teacher Association.

As part of the Induction process for Trustees, all are made aware of their charitable responsibilities and must agree to adhere to them, prior to appointment.

In the forthcoming year, Trustees will evaluate performance against legal requirements in order to monitor progress and manage key risks. This will include agreeing a strategy/plan reflecting:

- the Trust's values
- the resources used and the costs incurred
- the key financial and reputational risks faced

Effective systems are in place so that:

- when raising funds for the Trust, it is monitored for its effectiveness in doing so
- the Trust will only enter into commercial partnerships which are in Trust's best interests.

Arrangements with our commercial partners fully comply with relevant legal requirements and are in the Trust's best interests because:

- appropriate due diligence is undertaken
- the costs are justifiable and can be explained
- proper control is kept of the money raised
- compliance with the agreement is monitored
- any conflicts of interest are recognised and dealt with.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

FUNDRAISING (continued)

The Trustees protect the Trust's reputation, money and other assets by ensuring effective systems in place so that:

- the reputational risks the Trust may face in its fundraising are identified, assessed and managed
- likely donor, supporter and public perception is considered when income expectations and other goals are considered
- the legal rules and recognised standards which apply to our fundraising are followed
- our values are communicated to the people who work on our fundraising
- the costs of our fundraising are managed and explained
- our fundraising finance is planned and monitored
- effective financial controls are in place and followed
- risks of financial crime and fraud are reduced
- suspicious donations will trigger appropriate alerts

Trustees take responsibility for the Trust's fundraising by ensuring:

- the Trust can stop (or authorise) any unauthorised fundraising activity using its name
- serious incidents are reported to the commission, police and other agencies
- data, name, image logo and intellectual property are protected.

Effective systems are in place so that:

- the Code of Fundraising Practice and other resources are used to find out about the legal rules and recognised standards which apply to fundraising
- these rules and standards are followed.

Trustees have effective systems in place so that:

- any legal rules and requirements that apply to how our charity reports on and accounts for its fundraising are complied with
- the open and accessible complaints procedures are followed if concerns are raised about fundraising
- fundraising aims and achievements are clearly communicated to the public, donors and supporters.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

STREAMLINED ENERGY AND CARBON REPORTING

The Trust's greenhouse gas emissions and energy consumption for the year are:

Energy Source	Consumption	Scope	Emissions Calculation
Gas – Total kWh taken from gas bills	1,914,074kWh	Scope 1	1,914,074 *0.18387 (2020 fuels natural gas conversion factor) = 351,941kgCO ₂ e = 351.94 tCO ₂ e
Oil – consumption over year	35,224 litres *11.7kWh ('Typical Fuel Oil conversion factor') = 412,121 kWh		412,121 *0.26775 (2020 fuel oil conversion factor) = 110,345kgCO ₂ e = 110.35 tCO ₂ e
Electricity – total kWh taken from electricity bills	1,043,345kWh	Scope 2	1,043,345 *0.23314 (2020 elec conversion factor) = 243,245 kgCO ₂ e = 243.25 tCO ₂ e
Transport - minibus	6,548 miles *1.19466 (2020 SECR kWh pass and delivery vehs, vans class 2 - used in lieu of passenger vehicles conversion) = 7,823 kWh	Scope 1	6,548 miles = 10,538km *0.18900 (2020 managed assets vehicles, vans class 2 - used in lieu of passenger vehicles conversion) = 1,992 kgCO ₂ e = 1.99 tCO ₂ e
Transport - total mileage reimbursed from staff claims – petrol diesel	Petrol 5,128m *1.16319 (2020 SECR kWh pass & delivery vehs, ave car conversion factor to kWh) = 5,965kWh Diesel 3,032m *1.06337 = 3,224kWh	Scope 3	Petrol 5,128m *0.28052 (2020 managed assets vehicles, average car conversion factor to kgCO ₂ e) = 1439kgCO ₂ e = 1.44 tCO ₂ e Diesel 3032m *0.27108 = 822kgCO ₂ e = 0.82 tCO ₂ e
Total	3,386,552 kWh		709.79 tCO₂e
Intensity ratio	Emissions data (tCO ₂ e) compared with an appropriate business activity (pupil numbers as per Autumn census)		709.79 tCo₂e/3359 pupils = 0.21 tCO₂e per pupil

PLANS FOR FUTURE PERIODS

The main aim is to grow the Trust by at least two schools and to achieve this, work is ongoing to ensure the correct staffing structures are in place and the marketing strategy suits the current climate.

With this growth the Community Strategic Boards can be fully established to meet the needs of the schools.

Work will also continue on achieving economies of scale to ensure schools receive best value for money in all aspects of their operations.

The emphasis on standards will continue with the quality of classroom teaching the main focus.

The Trust also aims to use the Teaching School as a key driver to meet the Key Performance Indicators.

FUNDS HELD AS CUSTODIAN ON BEHALF OF OTHERS

The Yare Education Trust did not/does not act as a custodian Trustee on behalf of others.

THE YARE EDUCATION TRUST
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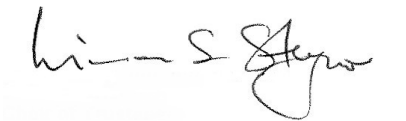
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2020 and signed on its behalf by:



.....
Dr Linda Steynor
Chair of Trustees

Date: 15 December 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Yare 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 The Yare 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 has formally met three times during the year.

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

Trustee	Meetings attended	Out of a possible
Linda Steynor, Chair	3	3
Ian Clayton MBE, Chief Executive	3	3
Alfonso Gotts	2	3
Anne Gibson	3	3
Gary Leverett	2	3
Owen Jenkins	2	3
Paul Tacon	2	3
Peter Harwood	3	3
Peter Lamble	2	3

The purpose of the Full Board is:

Responsibilities

The business of the Trust shall be managed by the Board who may exercise all the powers of the Trust as set out in the Articles of Association. This will include but not be limited to:

Setting the Strategic Direction

- To ensure that the Trust's vision and values underpin the way in which the Trust and its schools' work.
- To determine the educational character, religious ethos and mission of the Trust.
- To approve the Trust's appropriate strategic plans and review annually.

Ensuring High Standards of Achievement and Improved Performance

- To ensure that all schools in the Trust are effectively challenged and supported to maximise outcomes of children and young people who attend Trust schools.
- To receive reports from the Standards and Audit Committee at every board meeting in order to review outcomes regularly and measure impact against key performance indicators as identified in the Trust's strategic plan.

THE YARE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

Ensuring Sound Financial Practices

- To approve the Trust's annual budget and keep it under regular review by receiving a report from the Trust's Finance Committee at every board meeting.
- To approve and review each Trust/School's annual budget and review this annually.
- To agree the scheme of financial delegation to Trust schools and review this annually.
- To receive the Annual Report from the Trust's auditors and take appropriate actions.

Ensuring Strong and Robust Governance

- To ensure compliance with the Trust's duties under company law and charity law and agreements made with the Department for Education (DfE) including Master Funding Agreement and Supplemental Funding Agreements.
- To ensure the continued charitable status of the Trust, and compliance with the charitable objectives as set out in the Articles of Association.
- To approve the Trust's accountability and delegation framework and review regularly.
- To approve the Terms of Reference for agreed committees
- To approve the Trust's policy framework
- To take timely action to address decisions for which there is a legal requirement for Board approval.
- To ensure effective consultation and communication with all stakeholders of the Trust.
- To review the effectiveness of governance structures and take appropriate steps to improve its performance.

In addition to the above, particular items dealt with during the period include:

- Implementing policies
- Establishing the programme of works for the internal audits
- Setting the strategic business plan
- Monitoring strategies for Trustees
- Setting the strategic business plan
- Monitoring strategies for Trustees
- Applying the changes outlined in the new Academies Financial Handbook.
- Review of the Trust's Risk Register
- Growth strategy discussions
- Safeguarding trustee appointed
- Skills Competency Audit reviewed
- Due diligence for Bluebell Primary completed
- Review of TIDP

The **Finance Committee** is a sub committee of the main Board of Trustees. Its purpose is to:

- develop a financial strategy for the Trust and consider policies, procedures or plans required to realise such strategy
- consider the Trust's indicative funding, once notified by the Education and Skills Funding Agency, and to assess its implications for the Trust, in consultation with the Chief Executive Officer and the Chief Finance Officer, in advance of the financial year, drawing any matters of significance or concern to the attention of the Trustees
- consider and recommend acceptance/non-acceptance of the Trust's budget to the Trustees
- monitor and address any variances from the budget and ensure the Education and Skills Funding Agency is notified as required
- receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the

THE YARE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

- compatibility of all such proposals with the development priorities set out in the Trust Development Plan
- liaise with and receive reports from the Standards and Audit Committee and then to make recommendations about the financial aspects of matters being considered by them
- monitor and review income and expenditure on a regular basis and ensure compliance with the overall financial plan for the Trust, drawing any matters of concern to the attention of the Trust Board
- monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement
- maintain oversight and monitor the accuracy of all returns submitted to the Education and Skills Funding Agency or Department for Education in relation to financial matters of the Trust and all constituent schools/academies
- to review and monitor financial controls and take appropriate action to mitigate risk for the Trust and all schools through effective audit controls
- prepare the financial statement to form part of the Annual Report
- ensure the Trust's commercial and fundraising activities are carried out effectively
- examine and review new initiatives for financial development, including fundraising
- oversee significant investment and capital financing decisions
- approve and keep under review the Trust's Investment Policy
- approve and keep under review the Trust's Reserves Policy
- promptly notify the Trust Board of all financial matters of which the Committee has knowledge and which may materially affect the current or future position of the Trust
- advise generally on the provision of resources and services to the Trust
- to review, on a regular basis, its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness.

Particular items dealt with during the period:

- Approval of the budgets for all schools within the Trust
- Review of performance against budget on a termly basis including details of maintained investments
- Detailed analysis of staffing costs across the Trust schools
- Review of fund balances maintained across Trust schools
- School Resources Management Self Assessment Checklist completion
- Tendering of major projects, discussion on tendering arrangements
- Data dashboards implemented for finance, premises and information technology
- Review of the National Funding Formula and local implementation.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Owen Jenkins, Chair	2	2
Ian Clayton MBE, Chief Executive	2	2
Anne Gibson	1	2
Gary Leverett	2	2
Peter Harwood	2	2
Peter Lambie	2	2

Three meetings were scheduled to take place during the financial year but, due to the global Covid-19 pandemic, only two meetings were held. Trustees held a further Consolidated Committee and Board meeting.

The **Standards and Audit Committee** is also a sub committee of the main Board of Trustees. Its purpose is to cover the following areas:

THE YARE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

Educational Standards

- to ensure that the highest possible standards are set and maintained across the Trust
- to receive a termly report on standards and performance against key performance indicators
- to identify any areas of concern in respect of standards and performance and to implement an action plan
- to ensure that the Trust's curriculum is balanced and broadly based
- to ensure that effective processes are in place for the quality assurance of teaching and learning, the curriculum, inclusion and the sharing of good practice across the Trust
- to support the Chief Executive Officer in the creation, implementation and monitoring of the Trust's self-evaluation development plan and any post-Ofsted action plan
- to advise the Trust Board with respect to targets for student achievement across the Trust
- to ensure that effective arrangements are in place across the Trust for pupil/student support and representation, for monitoring attendance and for pupil/student discipline

Financial Standards

- to set the remit for the internal audit, review subsequent findings and remedial action proposed.
- to review and monitor financial controls and take appropriate action to mitigate risk for the Trust and all schools through effective audit controls
- prepare the financial statement to form part of the Annual Report
- maintain oversight and monitor the accuracy of all returns submitted to the Education and Skills Funding Agency or Department for Education in relation to financial matters of the Trust and all constituent schools/academies.

General

- to review, on a regular basis, its own performance, constitution and Terms of Reference to ensure it is operating at maximum effectiveness
- to undertake a termly review of the Trust's Risk Register
- to scrutinise and review Trust policies for recommendation to the Trust Board.

Particular items dealt with during the period:

- Reviewing the internal audit reports for all schools and agreeing a programme of works for future audits
- Consideration of the data on current standards across the Trust for each school
- Key policies reviewed and set centrally across the Trust
- Quality Monitoring Visits by the Director of Schools implemented
- Master Teacher Programme for both Primary and Secondary delivered across the Trust schools.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Peter Lambie, Chair	1	2
Ian Clayton MBE, Chief Executive	2	2
Alfonso Gotts	2	2
Gary Leverett	0	2
Linda Steynor	2	2
Owen Jenkins	1	2
Paul Tacon	2	2

Three meetings were scheduled to take place during the financial year but, due to the global Covid-19

THE YARE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (continued)

pandemic, only two meetings were held. Trustees held a further Consolidated Committee and Board meeting.

The **Staffing and Remuneration Committee** is a sub committee of the main Board of Trustees. Its purpose is to:

- annually appoint a Chair.
- have a strategic oversight of staff appointed to the Central Team of the Trust, including decisions relating to remuneration.
- annually confirm the arrangements for the appraisal of the Central Team and all Trust Principals/Headteachers in line with the Scheme of Delegation.
- have strategic oversight of the Trust's relationship with its HR provider and Trust HR policies.

Particular items dealt with during the period:

- HR policies reviewed and set centrally across the Trust
- Covid-19 wellbeing survey undertaken across all Trust schools
- Approval and implementation of Teachers Pay Awards
- Appointment of Independent Clerk
- Review of Central Team structure

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Peter Harwood, Chair	1	1
Ian Clayton MBE, Chief Executive	1	1
Alfonso Gotts	1	1
Anne Gibson	0	1
Linda Steynor	1	1
Paul Tacon	1	1

Three meetings were scheduled to take place during the financial year but, due to the global Covid-19 pandemic, only one meeting was held. Trustees held a further Consolidated Committee and Board meeting.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- regularly reviewing the functions of the Trust, challenging how and why services are provided and setting targets and performance indicators for improvement
- monitoring outcomes and comparing performance with similar schools
- promoting fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and cost-effective way
- undertaking self evaluation, reported in the Trust's self-evaluation cycle, with a particular focus on the quality of teaching and learning and on pupil/student progress.
- reviewing staffing structures
- embedding appraisal processes to ensure that targets are rigorous but realistic, reducing bureaucracy where possible
- working collaboratively across the Trust where savings can be made
- maintaining an annual refurbishment programme
- ensuring building programmes progress efficiently and with no detrimental impact on learning
- allocating resources as identified in the Trust Improvement and Development Plan
- collaborating on procurement where possible
- developing Trust wide continuing professional development
- maintaining a careful oversight on expenditure
- aiming to maximise income from lettings
- implementing income generation strategies.

To assist with this, the Accounting Officer has been informed by:

- the work of the internal auditors
- the work of the external auditors
- the financial management and governance self-assessment processes
- the Trust Central Team.

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 Yare Education Trust for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the 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.

The Board of Trustees has decided to employ Lovewell Blake LLP as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- internal controls
- proper and regular use of funds
- financial management and monitoring
- financial oversight
- financial planning
- testing of payroll systems
- testing of purchase systems
- testing of control account/bank reconciliations
- testing of HR contracts

On a termly basis a report is prepared identifying any significant weaknesses found and any recommendations for the Trust to implement. The auditor reports to the Board of Trustees through the Standards and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal audit function has been fully delivered in line with the ESFA's requirements.

THE YARE EDUCATION TRUST
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GOVERNANCE STATEMENT (CONTINUED)

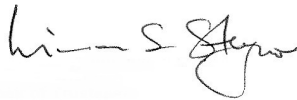
REVIEW OF EFFECTIVENESS

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

- the work of the internal auditors;
- the work of the external auditors;
- 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 Standards and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



.....
Dr Linda Steynor
Chair of Trustees



.....
Clare Fletcher
Acting Chief Executive, Accounting Officer

Date: 15 December 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2019.

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



.....
Clare Fletcher
Acting Chief Executive Officer, Accounting Officer

Date: 15 December 2020

THE YARE EDUCATION TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

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

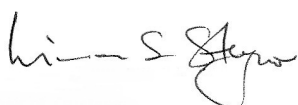
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



.....
Dr Linda Steynor
Chair of Trustees

Date: 15 December 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of The Yare Education Trust (the 'trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

THE YARE EDUCATION TRUST
(A company limited by guarantee)

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of
MA Partners Audit LLP
Chartered Accountants
Statutory Auditor
7 The Close

Norwich
Norfolk
NR1 4DJ

18 December 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 27 September 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Yare Education Trust during the year 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of The Yare Education Trust's funding agreement with the Secretary of State for Education dated 25 August 2016 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

THE YARE EDUCATION TRUST
(A company limited by guarantee)

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

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

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefited from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with *Part 8: Schedule of requirements (the "musts")* of the Academies Financial Handbook 2019.

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

Conclusion

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

MA Partners Audit LLP

MA Partners Audit LLP
Chartered Accountants
Statutory Auditor

7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 18 December 2020

THE YARE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		297,180	(385,000)	4,702,487	4,614,667	-
Other donations and capital grants		3,101	29,908	830,616	863,625	1,293,748
Charitable activities	4	178,175	16,246,629	-	16,424,804	15,355,349
Other trading activities	5	431,739	-	-	431,739	432,306
Investments	6	9,061	-	-	9,061	12,535
Total income		919,256	15,891,537	5,533,103	22,343,896	17,093,938
Expenditure on:						
Charitable activities	7	41,804	17,785,790	838,156	18,665,750	17,260,594
Total expenditure		41,804	17,785,790	838,156	18,665,750	17,260,594
Net income/ (expenditure)		877,452	(1,894,253)	4,694,947	3,678,146	(166,656)
Transfers between funds	18	(779,634)	842,912	(63,278)	-	-
Net movement in funds before other recognised gains/(losses)		97,818	(1,051,341)	4,631,669	3,678,146	(166,656)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	(1,486,000)	-	(1,486,000)	(1,822,000)
Net movement in funds		97,818	(2,537,341)	4,631,669	2,192,146	(1,988,656)

THE YARE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Reconciliation of funds:					
Total funds brought forward	2,648,259	(6,239,069)	39,690,260	36,099,450	38,088,106
Net movement in funds	97,818	(2,537,341)	4,631,669	2,192,146	(1,988,656)
Total funds carried forward	<u><u>2,746,077</u></u>	<u><u>(8,776,410)</u></u>	<u><u>44,321,929</u></u>	<u><u>38,291,596</u></u>	<u><u>36,099,450</u></u>

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

The notes on pages 43 to 78 form part of these financial statements.

THE YARE EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10301555

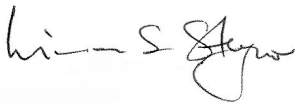
BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	43,588,015	39,176,754
		<u>43,588,015</u>	<u>39,176,754</u>
Current assets			
Debtors	15	938,601	865,137
Investments	16	100,000	200,000
Cash at bank and in hand		4,964,407	3,558,624
		<u>6,003,008</u>	<u>4,623,761</u>
Creditors: amounts falling due within one year	17	(2,003,427)	(1,059,065)
Net current assets		<u>3,999,581</u>	<u>3,564,696</u>
Total assets less current liabilities		<u>47,587,596</u>	<u>42,741,450</u>
Net assets excluding pension liability		<u>47,587,596</u>	<u>42,741,450</u>
Defined benefit pension scheme liability	26	(9,296,000)	(6,642,000)
Total net assets		<u><u>38,291,596</u></u>	<u><u>36,099,450</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	44,321,929	39,690,260
Restricted income funds	18	519,590	402,931
		<u>44,841,519</u>	<u>40,093,191</u>
Restricted funds excluding pension asset	18	44,841,519	40,093,191
Pension reserve	18	(9,296,000)	(6,642,000)
Total restricted funds	18	<u>35,545,519</u>	<u>33,451,191</u>
Unrestricted income funds	18	<u>2,746,077</u>	<u>2,648,259</u>
Total funds		<u><u>38,291,596</u></u>	<u><u>36,099,450</u></u>

THE YARE EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10301555

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2020

The financial statements on pages 38 to 78 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Dr Linda Steynor
Chair of Trustees



.....
Clare Fletcher
Acting Chief Executive, Accounting Officer

Date: 15 December 2020

The notes on pages 43 to 78 form part of these financial statements.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	<i>2019</i> £
Cash flows from operating activities			
Net cash provided by operating activities	20	641,405	<i>41,705</i>
Cash flows from investing activities	21	764,378	<i>377,145</i>
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		1,405,783	<i>418,850</i>
Cash and cash equivalents at the beginning of the year		3,558,624	<i>3,139,774</i>
Cash and cash equivalents at the end of the year	22, 23	4,964,407	<i>3,558,624</i>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 43 to 78 from part of these financial statements

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.3 Income

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

· **Grants**

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

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

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

· **Donations**

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

· **Other income**

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

· **Donated goods, facilities and services**

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

· **Transfer on conversion**

Where assets and liabilities are received by the Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.4 Expenditure

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

Charitable activities

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset over its expected useful life.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years straight line
Long-term leasehold buildings	- 10-50 years straight line
Furniture and equipment	- 5-10 years straight line
Computer equipment	- 5-10 years straight line
Motor vehicles	- 25% reducing balance

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

The Trust is party to lease agreements with Norfolk County Council for the school property. The leases are for a period of 125 years and substantially all the risks and rewards of ownership have been transferred to the Trust for £NIL rental. As such the school properties have been recognised as fixed assets in the Balance sheet at a fair value. The fair values are based upon the values written out of Norfolk County Council's financial statements on conversion.

1.7 Debtors

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

1.8 Cash at bank and in hand

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

1.9 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.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Pensions

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

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

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

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

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

1. Accounting policies (continued)

1.12 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 comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

2. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In assessing the carrying value of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial year.

The fair value of land and buildings transferred to the Trust on conversion has been based upon the value written out of Norfolk County Council's financial records.

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. Income from donations and capital grants

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Donations					
Transfer from local authority on conversion	297,180	(385,000)	4,702,487	4,614,667	-
Donations	3,101	29,908	11,536	44,545	77,699
Capital Grants	-	-	819,080	819,080	1,216,049
Total 2020	<u>300,281</u>	<u>(355,092)</u>	<u>5,533,103</u>	<u>5,478,292</u>	<u>1,293,748</u>
<i>Total 2019</i>	<u>33,482</u>	<u>32,639</u>	<u>1,227,627</u>	<u>1,293,748</u>	

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. Funding for the Trust's educational operations

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	13,931,811	13,931,811	13,484,930
Teachers pension grant	-	562,664	562,664	-
Pupil Premium	-	559,043	559,043	560,857
Teachers pay grant	-	198,012	198,012	129,939
Universal Infant Free School Meals	-	182,302	182,302	187,256
PE and Sports grant	-	92,650	92,650	92,910
MAT Development and Improvement Fund	-	-	-	128,125
Rates Relief	-	73,857	73,857	68,560
T Level grant	-	65,000	65,000	-
Cluster funding	-	-	-	114
Conversion grant	-	32,000	32,000	-
Free school meal supplementary grant	-	17,160	17,160	14,520
Other ESFA grants	-	96,500	96,500	92,076
	-	15,810,999	15,810,999	14,759,287
Other government grants				
SEN income	-	203,859	203,859	119,430
Nursery funding	-	180,012	180,012	131,692
Other government grants	-	51,759	51,759	56,947
	-	435,630	435,630	308,069
Other income from the Trust's educational operations				
Trip Income	124,850	-	124,850	227,898
Catering Income	53,325	-	53,325	60,095
	178,175	-	178,175	287,993
Total 2020	178,175	16,246,629	16,424,804	15,355,349
<i>Total 2019</i>	<i>287,993</i>	<i>15,067,356</i>	<i>15,355,349</i>	

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff catering income	1,980	1,980	3,711
Generated income - NTLEC / SGO	34,612	34,612	49,310
Sale of educational materials	26,598	26,598	55,746
Music income	19,833	19,833	29,210
Provision of staff to other schools	552	552	725
Lettings income	103,344	103,344	138,696
Insurance claims	157,623	157,623	52,444
Miscellaneous income	87,197	87,197	102,464
	<u>431,739</u>	<u>431,739</u>	<u>432,306</u>
<i>Total 2019</i>	<u>432,306</u>	<u>432,306</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Bank interest	9,061	9,061	12,535
	<u>9,061</u>	<u>9,061</u>	<u>12,535</u>
<i>Total 2019</i>	<u>12,535</u>	<u>12,535</u>	

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	<i>Total 2019 £</i>
Activities:					
Direct costs	12,047,974	-	727,161	12,775,135	12,013,027
Support costs	2,360,935	2,168,703	1,360,977	5,890,615	5,247,567
	<u>14,408,909</u>	<u>2,168,703</u>	<u>2,088,138</u>	<u>18,665,750</u>	<u>17,260,594</u>
<i>Total 2019</i>	<u><u>13,190,936</u></u>	<u><u>2,035,678</u></u>	<u><u>2,033,980</u></u>	<u><u>17,260,594</u></u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	<i>Total funds 2019 £</i>
Expenditure	<u>12,775,135</u>	<u>5,890,615</u>	<u>18,665,750</u>	<u>17,260,594</u>
<i>Total 2019</i>	<u><u>12,013,027</u></u>	<u><u>5,247,567</u></u>	<u><u>17,260,594</u></u>	

THE YARE EDUCATION TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Staff costs	11,854,106	<i>11,107,444</i>
Educational visits	214,928	<i>190,446</i>
Agency supply staff	193,868	<i>178,311</i>
Educational supplies	181,929	<i>213,355</i>
Examination fees	169,119	<i>197,662</i>
Educational professional fees	72,793	<i>54,649</i>
Staff development	80,009	<i>67,192</i>
Technology costs	8,383	<i>3,968</i>
	12,775,135	<i>12,013,027</i>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	<i>Total funds 2019 £</i>
Pension interest	134,000	126,000
Staff costs	2,360,935	1,905,181
Depreciation	839,070	765,784
Technology costs	168,504	144,098
Recruitment and support	81,659	81,318
Maintenance of property and equipment	901,235	777,100
Cleaning	241,556	241,029
Rates and water	123,372	114,362
Energy costs	216,219	241,204
Insurance costs	145,642	130,386
Security and transport	34,347	47,006
Catering	326,103	323,169
Uniform costs	2,666	1,601
Other support costs	118,069	129,136
Legal and professional	197,238	220,193
	<u>5,890,615</u>	<u>5,247,567</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2020 £	<i>2019 £</i>
Operating lease rentals	13,720	12,510
Depreciation of tangible fixed assets	839,070	765,784
Fees paid to auditors for:		
- audit	12,000	10,000
- other services	8,740	8,400
	<u>860,530</u>	<u>786,794</u>

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FOR THE YEAR ENDED 31 AUGUST 2020

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020 £	2019 £
Wages and salaries	10,230,988	9,928,931
Social security costs	1,000,816	965,009
Pension costs	2,960,656	2,116,122
	<u>14,192,460</u>	<u>13,010,062</u>
Agency staff costs	193,868	178,311
Staff restructuring costs	22,581	2,563
	<u>14,408,909</u>	<u>13,190,936</u>

Staff restructuring costs comprise:

	2020 £	2019 £
Redundancy payments	19,207	2,563
Severance payments	3,374	-
	<u>22,581</u>	<u>2,563</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling **£3,374** (2019: £Nil).

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	212	204
Administration and support	248	228
Management	9	9
	<u>469</u>	<u>441</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2020	2019
	No.	No.
Teachers	187	180
Administration and support	141	125
Management	9	9
	337	314

d. Higher paid staff

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

	2020	2019
	No.	No.
In the band £60,001 - £70,000	7	6
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	2	-
In the band £140,001 - £150,000	-	1

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team. 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 £830,844 (2019 £756,445).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. Central services

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

Posts of:

- Chief Executive Officer to act as Accounting Officer for the Trust who provides expertise and support to all schools in all educational matters
- Director of Schools to support primary schools
- Chief Finance Officer and full time Assistant Schools' Business Manager
- Chief Privacy Officer
- Estates Manager
- Well-Being Officer
- Information Technology Systems Manager

In addition, the following is offered centrally:

- Financial services support and payroll services
- Human Resources including Occupational Health
- Insurance (non-RPA elements)
- Data Protection Officer service
- Training and Inset provision through the Teaching School
- Governance support and training
- Provision of services to schools previously received via the County Council: Admissions, Educational Visits advice, Free School Meals eligibility checking, Health and Safety, Safeguarding, Trade Union Facilities
- Appointment of accountants and provision of year-end audit
- Appointment and provision of the internal audit service across the Trust
- An ongoing programme of procurement services to realise economies of scale across the Trust
- Legal services

The Trust charges for these services on a flat percentage of GAG income basis (5%).

The actual amounts charged during the year were as follows:

	2020	2019
	£	£
Thorpe St Andrew School and Sixth Form	421,738	401,569
Hillside Avenue Primary and Nursery School	68,380	70,404
Dussindale Primary School	63,189	66,236
Hemblington Primary School	29,406	32,109
North Walsham Infant School and Nursery	46,717	43,972
North Walsham Junior School	55,862	57,874
Bluebell Primary School	9,678	-
	694,970	672,164

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12. Trustees' remuneration and expenses

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

		2020	<i>2019</i>
		£	£
Ian Clayton (Chief Executive and Trustee)	Remuneration	90,000 -	<i>140,000 -</i>
		95,000	<i>145,000</i>
	Pension contributions paid	10,000 -	<i>20,000 -</i>
		15,000	<i>25,000</i>

During the year ended 31 August 2020, expenses totaling £252 were reimbursed or paid directly to 1 Trustee (*2019 - £329 to 3 Trustees*).

13. Trustees' and Officers' insurance

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

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FOR THE YEAR ENDED 31 AUGUST 2020

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	40,827,720	143,656	312,922	23,136	41,307,434
Additions	403,063	26,354	114,927	3,500	547,844
On acquisition of subsidiaries	4,643,440	-	52,818	6,229	4,702,487
At 31 August 2020	<u>45,874,223</u>	<u>170,010</u>	<u>480,667</u>	<u>32,865</u>	<u>46,557,765</u>
Depreciation					
At 1 September 2019	1,898,210	48,599	170,495	13,376	2,130,680
Charge for the year	686,321	27,586	120,291	4,872	839,070
At 31 August 2020	<u>2,584,531</u>	<u>76,185</u>	<u>290,786</u>	<u>18,248</u>	<u>2,969,750</u>
Net book value					
At 31 August 2020	<u><u>43,289,692</u></u>	<u><u>93,825</u></u>	<u><u>189,881</u></u>	<u><u>14,617</u></u>	<u><u>43,588,015</u></u>
At 31 August 2019	<u><u>38,929,510</u></u>	<u><u>95,057</u></u>	<u><u>142,427</u></u>	<u><u>9,760</u></u>	<u><u>39,176,754</u></u>

15. Debtors

	2020 £	2019 £
Due within one year		
Trade debtors	64,535	8,525
VAT repayable	243,504	168,303
Prepayments and accrued income	630,562	688,309
	<u>938,601</u>	<u>865,137</u>

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16. Current asset investments

	2020 £	2019 £
Fixed term deposits	100,000	200,000

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,012,330	435,893
Other taxation and social security	249,489	216,569
Other creditors	350,388	66,832
Accruals and deferred income	391,220	339,771
	2,003,427	1,059,065

	2020 £	2019 £
Deferred income at 1 September 2019	204,502	202,285
Resources deferred during the year	164,952	204,502
Amounts released from previous periods	(204,502)	(202,285)
	164,952	204,502

At the balance sheet date the Trust had received the following income relating to the period after the balance sheet date:

- Free School Meals funding (£104,132)
- Rates relief grant income (£43,877)
- Trip income (£3,120)
- Other income (£13,823)

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Designated funds						
AWP sinking fund	56,918	-	-	17,268	-	74,186
General funds						
General Funds	2,591,341	919,256	(41,804)	(796,902)	-	2,671,891
Total Unrestricted funds	2,648,259	919,256	(41,804)	(779,634)	-	2,746,077
Restricted general funds						
General Annual Grant (GAG)	375,125	13,931,811	(13,543,555)	(296,702)	-	466,679
Pupil Premium	14,474	559,043	(560,852)	-	-	12,665
Universal Infant Free School Meals	-	182,302	(182,302)	-	-	-
Free School Meals Supplementary Grant	-	17,160	(17,160)	-	-	-
PE and Sports grant	-	92,650	(92,650)	-	-	-
Conversion grants	-	32,000	(14,500)	-	-	17,500
Teaching School	-	111,250	(99,280)	-	-	11,970
Nursery funding	-	180,012	(180,012)	-	-	-
Teachers Pay grant	-	198,012	(198,012)	-	-	-
SEN funding	-	203,859	(203,859)	-	-	-
Rates relief	27	73,857	(73,604)	-	-	280
Other government grants	-	37,009	(37,636)	627	-	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Other restricted donations	8,137	29,908	(32,717)	-	-	5,328
MAT Development and Improvement Fund	5,168	-	-	-	-	5,168
Devolved Formula Capital	-	-	(83,718)	83,718	-	-
School Condition Allocation	-	-	(489,269)	489,269	-	-
T Level revenue grant	-	65,000	(65,000)	-	-	-
Teachers Pension grant	-	562,664	(562,664)	-	-	-
Pension reserve	(6,642,000)	(385,000)	(1,349,000)	566,000	(1,486,000)	(9,296,000)
	<u>(6,239,069)</u>	<u>15,891,537</u>	<u>(17,785,790)</u>	<u>842,912</u>	<u>(1,486,000)</u>	<u>(8,776,410)</u>
Restricted fixed asset funds						
Assets transferred on conversion	38,122,317	4,702,487	(697,908)	(704)	-	42,126,192
Capital assets purchased from GAG	559,721	-	(115,883)	498,325	-	942,163
Capital assets purchased from other grants and donations	487,408	-	(20,477)	34,106	-	501,037
NCC Section 106 grant funding	-	10,482	-	(10,482)	-	-
Devolved Formula Capital	39,772	73,717	-	(83,718)	-	29,771
School Condition Allocation	481,042	721,581	(563)	(489,269)	-	712,791

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18. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
T Level capital grant	-	13,300	(3,325)	-	-	9,975
Capital donations	-	11,536	-	(11,536)	-	-
	<u>39,690,260</u>	<u>5,533,103</u>	<u>(838,156)</u>	<u>(63,278)</u>	<u>-</u>	<u>44,321,929</u>
Total Restricted funds	<u>33,451,191</u>	<u>21,424,640</u>	<u>(18,623,946)</u>	<u>779,634</u>	<u>(1,486,000)</u>	<u>35,545,519</u>
Total funds	<u><u>36,099,450</u></u>	<u><u>22,343,896</u></u>	<u><u>(18,665,750)</u></u>	<u><u>-</u></u>	<u><u>(1,486,000)</u></u>	<u><u>38,291,596</u></u>

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

The General Annual Grant (GAG) is for the normal running costs of the schools within the Trust.

All Weather Pitch ("AWP") Sinking Fund – funds are set aside for the replacement of the surface of the pitch, which is expected to be in 9 to 10 years depending on condition and other key components of the facility such as lighting and fencing.

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

Funding was received from the ESFA to assist with the provision of Universal Infant Free School Meals, consisting of Universal Infant Free School Meals grants and Free School Meals Supplementary grants.

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

Conversion Grants are awarded on conversion to Academy status. These monies are spent on legal costs and other transition expenses.

Teaching School funding includes grant income from the DfE to support the Trust's work both within the Trust itself and with our Alliance partners, in delivering recruitment and retention in teaching, development of future leaders, high quality continuous professional development and support to schools. The main purpose of a Teaching School is to be the school improvement arm of the Trust and alliance schools. The grant is to be used to support this core purpose.

Nursery Funding is utilised to employ appropriate staff for the Nursery on site at Hillside Avenue Primary and Nursery School, North Walsham Infant School and Nursery and Bluebell Primary School and Nursery.

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18. Statement of funds (continued)

The Teachers Pay and Teachers Pension grants were received from the ESFA to contribute to the Trust's payroll expenditure.

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

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

Other Government grants and other restricted donations include various amounts received for specific purposes.

The MAT Development and Improvement Fund (MDIF) was provided to the Trust toward taking on and improving new schools within the Trust.

T Level revenue grant - additional funding has been allocated to providers delivering T Levels and Transition Programme in 2020 to 2021 and was paid in the 2019 to 2020 academic year. The funding is to enable early providers to support the department to co-create high quality courses.

Part of the funding currently held by Norfolk County Council under Section 106 of the Town and Country Planning Act 1990, and allocated to Thorpe St Andrew School and Sixth Form, has been paid to the Trust to reimburse expenditure incurred toward the cost of 2 new modular builds on the school site. A transfer has been made to the "Capital assets purchased from other grants and donations" restricted fixed asset fund to the extent that the funding has been utilised in the year.

Devolved Formula Capital funding is received for minor capital works and ICT replacement within the Trust. Devolved Formula Capital funding included in restricted fixed asset funds represents funding received in the year, any amounts used for capital purposes and therefore transferred to the "Capital assets purchased from other grants and donations" restricted fixed asset fund, any amounts used for expenditure of a non-capital nature and therefore transferred to the "Devolved Formula Capital" restricted fund, plus any unspent funding carried forward for use in future periods.

The School Condition Allocation is received toward maintenance of buildings across the Trust, keeping them safe and in good working order.

T Level "specialist equipment allocation" capital funding has been provided to help buy industry standard specialist equipment required by the Trust to deliver T Levels.

The Pension reserve deficit at the year end was £9,296,000 and represents the Trust's share of the deficit of the relevant Local Government Pension Schemes.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2020.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	<i>2019</i>
	£	£
Thorpe St Andrew School and Sixth Form	2,101,409	<i>2,259,261</i>
Hillside Avenue Primary and Nursery School	100,249	<i>57,490</i>
Dussindale Primary School	30,243	<i>53,803</i>
Hemblington Primary School	39,544	<i>63,242</i>
North Walsham Infant School and Nursery	40,311	<i>56,114</i>
North Walsham Junior School	221,623	<i>225,068</i>
Bluebell Primary School	365,457	<i>-</i>
Central Services	366,831	<i>336,212</i>
Total before fixed asset funds and pension reserve	3,265,667	<i>3,051,190</i>
Restricted fixed asset fund	44,321,929	<i>39,690,260</i>
Pension reserve	(9,296,000)	<i>(6,642,000)</i>
Total	38,291,596	<i>36,099,450</i>

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £	Total 2019 £
Thorpe St Andrew School and Sixth Form	7,139,116	1,070,307	101,995	1,388,206	9,699,624	9,262,740
Hillside Avenue Primary and Nursery School	1,220,246	244,520	14,342	287,098	1,766,206	1,793,904
Dussindale Primary School	1,104,275	205,507	24,166	229,567	1,563,515	1,539,664
Hemblington Primary School	564,907	79,010	7,670	125,900	777,487	748,820
North Walsham Infant School and Nursery	910,223	185,321	13,637	215,331	1,324,512	1,155,920
North Walsham Junior School	961,091	245,829	18,720	199,481	1,425,121	1,369,423
Bluebell Primary School	148,118	39,807	1,399	37,726	227,050	-
Central services	-	290,634	-	752,531	1,043,165	624,339
Trust	12,047,976	2,360,935	181,929	3,235,840	17,826,680	16,494,810

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

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
Unrestricted funds						
Designated funds						
AWP sinking fund	39,650	-	-	17,268	-	56,918
General funds						
General Funds	2,405,224	766,316	(47,162)	(533,037)	-	2,591,341
Total Unrestricted funds	2,444,874	766,316	(47,162)	(515,769)	-	2,648,259
Restricted general funds						
General Annual Grant (GAG)	221,703	13,484,930	(13,214,851)	(116,657)	-	375,125
Pupil Premium	-	560,857	(546,383)	-	-	14,474
Universal Infant Free School Meals	3,485	187,256	(190,741)	-	-	-
Free School Meals Supplementary Grant	-	14,520	(14,520)	-	-	-
PE and Sports grant	-	92,910	(85,041)	(7,869)	-	-
Conversion grants	28,400	-	(28,400)	-	-	-
Condition Improvement Funding	357,446	-	(357,446)	-	-	-
Teaching School	-	92,076	(92,515)	439	-	-
Nursery funding	7,699	131,692	(139,391)	-	-	-
Teachers Pay grant	-	129,939	(129,939)	-	-	-

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

	<i>Balance at 1 September 2018 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2019 £</i>
SEN funding	-	119,430	(119,430)	-	-	-
Rates relief	-	68,559	(68,532)	-	-	27
Other government grants	-	57,060	(57,060)	-	-	-
Other restricted donations	1,309	32,641	(25,813)	-	-	8,137
MAT Development and Improvement Fund	-	128,125	(122,957)	-	-	5,168
Devolved Formula Capital	-	-	(187,843)	187,843	-	-
School Condition Allocation	-	-	(11,700)	11,700	-	-
Pension reserve	(4,296,000)	-	(1,056,000)	532,000	(1,822,000)	(6,642,000)
	<u>(3,675,958)</u>	<u>15,099,995</u>	<u>(16,448,562)</u>	<u>607,456</u>	<u>(1,822,000)</u>	<u>(6,239,069)</u>
Restricted fixed asset funds						
Assets transferred on conversion	38,792,797	-	(670,480)	-	-	38,122,317
Capital assets purchased from GAG	514,309	-	(54,573)	99,985	-	559,721
Capital assets purchased from other grants and donations	12,084	-	(39,817)	515,141	-	487,408
NCC Section 106 grant funding	-	486,312	-	(486,312)	-	-
Devolved Formula Capital	-	236,995	-	(197,223)	-	39,772
School Condition Allocation	-	492,742	-	(11,700)	-	481,042

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

18. Statement of funds (continued)

	<i>Balance at 1 September 2018</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2019</i>
	£	£	£	£	£	£
T Level capital grant	-	11,578	-	(11,578)	-	-
	<u>39,319,190</u>	<u>1,227,627</u>	<u>(764,870)</u>	<u>(91,687)</u>	<u>-</u>	<u>39,690,260</u>
Total Restricted funds	<u>35,643,232</u>	<u>16,327,622</u>	<u>(17,213,432)</u>	<u>515,769</u>	<u>(1,822,000)</u>	<u>33,451,191</u>
Total funds	<u><u>38,088,106</u></u>	<u><u>17,093,938</u></u>	<u><u>(17,260,594)</u></u>	<u><u>-</u></u>	<u><u>(1,822,000)</u></u>	<u><u>36,099,450</u></u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020	Restricted funds 2020	Restricted fixed asset funds 2020	Total funds 2020
	£	£	£	£
Tangible fixed assets	6,394	-	43,581,621	43,588,015
Current assets	2,742,802	2,519,897	740,308	6,003,007
Creditors due within one year	(3,119)	(2,000,307)	-	(2,003,426)
Provisions for liabilities and charges	-	(9,296,000)	-	(9,296,000)
Total	<u><u>2,746,077</u></u>	<u><u>(8,776,410)</u></u>	<u><u>44,321,929</u></u>	<u><u>38,291,596</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2019 £</i>	<i>Restricted funds 2019 £</i>	<i>Restricted fixed asset funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	7,308	-	39,169,446	39,176,754
Current assets	2,678,682	1,424,265	520,814	4,623,761
Creditors due within one year	(37,731)	(1,021,334)	-	(1,059,065)
Provisions for liabilities and charges	-	(6,642,000)	-	(6,642,000)
Total	<u>2,648,259</u>	<u>(6,239,069)</u>	<u>39,690,260</u>	<u>36,099,450</u>

20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of financial activities)	<u>3,678,146</u>	<u>(166,656)</u>
Adjustments for:		
Depreciation	839,070	765,784
Capital grants from DfE and other capital income	(1,203,161)	(729,737)
Defined benefit pension scheme cost less contributions payable	649,000	398,000
Defined benefit pension scheme finance cost	134,000	126,000
Increase in debtors	(73,464)	(342,602)
Increase in creditors	944,362	3,451
Dividends, interest and rents from investments	(9,061)	(12,535)
Net (gain) on assets and liabilities from local authority on conversion	(4,317,487)	-
Net cash provided by operating activities	<u>641,405</u>	<u>41,705</u>

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21. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	9,061	12,535
Purchase of tangible fixed assets	(547,844)	(615,127)
Capital grants from DfE Group	1,203,161	729,737
Decrease/(increase) in fixed term deposit funds	100,000	250,000
Net cash provided by investing activities	764,378	377,145

22. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	3,894,369	2,493,378
Notice deposits (less than 3 months)	1,070,038	1,065,246
Total cash and cash equivalents	4,964,407	3,558,624

23. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	3,558,624	1,405,783	4,964,407
Liquid investments	200,000	(100,000)	100,000
	3,758,624	1,305,783	5,064,407

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24. Conversion to an academy trust

On 1 July 2020 Bluebell Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Yare Education Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land	-	-	4,643,440	4,643,440
Other tangible fixed assets	-	-	59,047	59,047
Current assets				
Cash - representing budget surplus on LA funds	297,180	-	-	297,180
Pension deficit on conversion	-	(385,000)	-	(385,000)
Net assets/(liabilities)	<u>297,180</u>	<u>(385,000)</u>	<u>4,702,487</u>	<u>4,614,667</u>

25. Capital commitments

	2020 £	2019 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>218,572</u>	<u>-</u>

26. Pension commitments

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

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

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26. Pension commitments (continued)

Contributions amounting to £278,083 were payable to the schemes at 31 August 2020 (2019 - £Nil) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,739,526 (2019 - £1,189,924).

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

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

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26. Pension commitments (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 contribution made for the year ended 31 August 2020 was £724,000 (2019 - £682,000), of which employer's contributions totalled £566,000 (2019 - £532,000) and employees' contributions totalled £158,000 (2019 - £150,000). The agreed contribution rates for future years are 19.1 - 21.3 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 24 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.7	21.1
Females	23.9	23.5
<i>Retiring in 20 years</i>		
Males	22.8	22.4
Females	25.5	25

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26. Pension commitments (continued)

Sensitivity analysis

	2020	<i>2019</i>
	£000	<i>£000</i>
Discount rate -0.1%	396	<i>332</i>
Salary increase rate +0.1%	41	<i>55</i>
Pension increase rate +0.1%	348	<i>270</i>
	=====	<i>=====</i>

Share of scheme assets

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

	2020	<i>2019</i>
	£	<i>£</i>
Equities	3,124,500	<i>2,508,310</i>
Corporate bonds	2,187,150	<i>1,842,840</i>
Property	687,390	<i>614,280</i>
Cash and other liquid assets	249,960	<i>153,570</i>
	=====	<i>=====</i>
Total market value of assets	6,249,000	<i>5,119,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £24,000 (*2019 - £245,000*).

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

	2020	<i>2019</i>
	£	<i>£</i>
Current service cost	(1,215,000)	<i>(881,000)</i>
Past service cost	-	<i>(49,000)</i>
Interest income	105,000	<i>127,000</i>
Interest cost	(239,000)	<i>(253,000)</i>
	=====	<i>=====</i>
Total amount recognised in the Statement of Financial Activities	(1,349,000)	<i>(1,056,000)</i>
	=====	<i>=====</i>

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	11,761,000	8,534,000
Conversion of academy trusts	843,000	-
Current service cost	1,215,000	881,000
Interest cost	239,000	253,000
Employee contributions	158,000	150,000
Actuarial losses	1,405,000	1,940,000
Benefits paid	(76,000)	(46,000)
Past service costs	-	49,000
At 31 August	15,545,000	11,761,000

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

	2020 £	2019 £
At 1 September	5,119,000	4,238,000
Conversion of academy trusts	458,000	-
Interest income	105,000	127,000
Actuarial (losses)/gains	(81,000)	118,000
Employer contributions	566,000	532,000
Employee contributions	158,000	150,000
Benefits paid	(76,000)	(46,000)
At 31 August	6,249,000	5,119,000

27. Operating lease commitments

At 31 August 2020 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	9,984	12,046
Later than 1 year and not later than 5 years	10,224	10,778
	20,208	22,824

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28. Other financial commitments

The Trust maintains some of its assets under a PFI agreement. The amount due for the following financial year under this agreement is estimated to be **£135,974** (2019: £Nil). The cost of the PFI agreement changes annually in line with the Retail Price Index. As such, the cost of the PFI agreement for the remainder of the 25 year term would total approximately **£1,960,733** (2019: £Nil).

29. Members' liability

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

30. Related party transactions

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

Expenditure Related Party Transactions

During the year the spouse of Owen Jenkins, Trustee, was employed as a member of the Trust's educational support staff. The appointment was made in open competition and Owen Jenkins was not involved in the decision making process regarding his family member's appointment. The related party is paid within the normal pay scale for their role and received no special treatment as a result of their relationship to a Trustee.

During the year the spouse of Louise Norgate, part of the Trust's key management personnel, was employed as a supply teacher. His employment as a supply teacher was sanctioned by the CEO. Employment of supply teachers at Dussindale only occurs when the internal cover supervisors are at capacity. The CEO is satisfied with the quality of work delivered and the individual's strong knowledge of the school. All salary claims are countersigned by the Deputy Head as proof of employment and deployment during the day.

31. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2020 the Trust received £29,016 and disbursed £14,173 from the fund, and had brought forward funds available in the bursary of £25,101. The Trust used £1,331 (5%) of the fund as a contribution to its own administrative costs which has been recognised in the Trust's Statement of Financial Activities as permitted by the ESFA. An amount of £38,613 is included in other creditors relating to undistributed funds that are repayable to the ESFA.

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NOTES TO THE FINANCIAL STATEMENTS
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32. Teaching school trading account

	2020	2020	2019	2019
	£	£	£	£
Income				
Direct income				
Grant income	111,250		94,086	
Other income				
Generated income	35,834		53,395	
Total income		147,084		147,481
Expenditure				
Direct staff costs	78,819		74,048	
Training and course fees	28,907		29,507	
Total direct expenditure	107,726		103,555	
Other expenditure				
Other staff costs	30,137		30,456	
Other support costs	2,299		9,441	
Total other expenditure	32,436		39,897	
Total expenditure		140,162		143,452
Transfers between funds excluding depreciation		-		439
Surplus from all sources		6,922		4,468
Teaching school balances at 1 September 2019		(1,685)		(6,153)
Teaching school balances at 31 August 2020		5,237		(1,685)