

RAEDWALD TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

RAEDWALD TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Alan Whittaker
Stephen Hardman (appointed 31 October 2019)
Anthony Houghton
Craig D'Cunha (resigned 1 November 2019)
Cath Kitchen
Deborah Wilson

Trustees

Roger Fern, Chair
Angela Ransby, Chief Executive
Anna Hennell James, Vice Chair
Craig D'Cunha, Vice Chair
Thomas Minnican
Stephen Skeet (appointed 15 June 2020)
Colin Kreidewolf
Nadia Paczuska (appointed 10 July 2020)
Christine Walters (resigned 15 January 2020)
Jonathan Reed (resigned 15 June 2020)

Company registered number

08702099

Company name

Raedwald Trust

Principal and registered office

Parkside School
291 Spring Road
Ipswich
Suffolk
IP4 5ND

Chief executive officer

Angela Ransby

Senior management team

Angela Ransby, CEO and Accounting Officer
Carey Fish, Head Teacher
Angela O'Rourke, Interim Head Teacher
James Benson, Interim Head Teacher
Natalie Quinton, Chief Financial Officer

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

Independent auditors

Price Bailey LLP
Chartered Accountants
Statutory Auditors
Anglia House, 6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Bankers

Lloyds Bank
Cornhill
Ipswich

Solicitors

Steeles Law
2 The Norwich Business Park
Whiting Road
Norwich
NR4 6DJ

RAEDWALD 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 Auditor's Report of Raedwald Multi Academy Trust (The Trust or the Charitable Company) for the year ended 31 August 2020. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates five Alternative Provision ("AP") Academies serving a catchment area in Ipswich and one AP Academy serving Bury St Edmunds. The Academies have a combined capacity of 190 and had a roll of 190 in the 2020 census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents.

The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable.

The Charitable Company includes the following Academies:

- Westbridge AP Academy - converted and joined the Trust on 01/05/2016
- Parkside AP Academy - converted and joined the Trust on 01/05/2016
- Alderwood AP Academy - converted and joined the Trust on 01/09/2017
- First Base Ipswich AP Academy - converted and joined the Trust on 01/11/2017
- St. Christopher's AP Academy - converted and joined the Trust on 01/12/2017
- First Base Bury St Edmunds AP Academy - converted and joined the Trust on 01/02/2019

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance Resources & Audit Committee. Throughout this report the Board of Trustees is referred to as the Trust Board (TB). Until August 2019, each Academy had appointed Local Governing Bodies (LGB) who had some decision making powers. The Trust Board delegates some decisions to their committees. In September 2019, the Trust Board replaced LGBs with a single Learning and Education Committee (LEC).

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this report the term Trustee refers to a member of the TB and the term Governor to a member of the Learning & Education Committee. Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

Members' Liability

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

Trustees and Officers' Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance is via the RPA scheme and provides cover up to £10,000,000 on any one claim and details of the costs are disclosed in note 12 to the accounts.

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

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the TB. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 12 Trustees plus the CEO.

Trustees are appointed for a four year period, except that this limit does not apply to the CEO. Subject to remaining eligible to be a particular type of trustee, any trustee can be re appointed or re elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board has the necessary skills to contribute fully to the Trust's development.

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

The training and induction provided for new Trustees will depend on their existing experience. Induction tends to be done informally, each Trustee is introduced to the Chair and CEO and is tailored specifically to the individual. We use our own in house training and also County wide training on such matters as governance and safeguarding.

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end The Trust links with a number of local training providers. New Trustees and Governors are required to attend a training programme. The induction programme would involve a tour of the relevant Academy, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake.

Organisational Structure

The TB meets at least once each term. The Board establishes an overall framework for the governance of the Multi Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports, including policies, for ratification. It establishes an overall framework for the governance of the Multi Academy Trust and determines membership and terms of reference of Committees. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to carry out specific tasks over a limited time scale.

The following decisions are reserved to the Board of Trustees;

- To consider any proposals for changes to the status or constitution of the Multi academy Trust and its committee structure
- To appoint or remove the Chair and/or Vice Chair
- To appoint the CEO and Clerk to the Trustees
- To approve the Annual Development Plan and budget

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving statutory accounts, monitoring the Trust by use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Trust has a leadership structure, whose aim is to devolve responsibility and encourage involvement and decision making at all levels.

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

The Scheme of Delegation (July 2019) clearly outlines the level of responsibility at the following levels:

1. Members
2. Board of trustees of the Multi Academy trust
3. Chief executive officer
4. Finance Resources & Audit Committee
5. CEO Performance Review panel
6. Learning & Education Committee
7. Headteachers of the trust
8. Heads of School

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Trust's CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day to day running of the Trust.

The Performance Management of the CEO is undertaken by the Trust Board's CEO Performance Review panel, this is monitored on a termly basis.

The Performance Management of the School Leaders is undertaken by the CEO on a termly basis. Each Academy Headteacher is responsible for their academy staff's performance management. Pay and remuneration is approved through the Trust Board.

Teachers' contracts in the financial year are based on the 2019 School Teachers Pay and Conditions guidance.

All amendments to key management's pay and remuneration are approved by the appropriate sub committee and ratified by the TB.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the TB may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where one or more Trustees may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust does not have a formal sponsor.

Trade union facility time

During the financial year, no employees of the Trust were trade union officials, and trade union facility time was not outsourced, meaning that no costs were borne by the Trust in this respect.

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

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of a number of Academies to provide free education and care for pupils of different abilities within its local community between the ages of Early Years and 16.

Objectives, Strategies and Activities

The Aims of the Trust are as follows:

- To create a successful Multi Academy Trust embracing all Pupil Referral Units from across the whole of Suffolk
- To establish a fit for the 21st Century Alternative Provision for the most vulnerable and complex young people across the Key Stages
- To provide a complete end/end journey for young people
- To support schools within the locality through a fit for purpose Outreach Service
- To establish a 'mature' campus based learning experience with flexible access for all young people across all Raedwald Trust's learning campuses
- To provide a 'basket of services' designed to serve the specific needs of our complex and vulnerable young people
- To work closely with families and outside agencies to achieve the aims above.

Details of how the above are achieved are outlined in each Academy Improvement Plan which are submitted to the Trust Board for approval.

The first academies to join the Trust did so on 1st May 2016, making this the fifth year of operation. Thus far the Trust has worked towards these aims by:

- Extending of our traded outreach services, including partnership working with local MATs
- Our Improvement Plan identifying a number of strategies from personalised learning to equality of opportunities across the MAT,
- Working with students moving on is a key aspect of our work with key workers supporting vulnerable learners with their future choices. Also highlighted in our Improvement Plan.
- Increasing provision for medical cases through the delivery of a Medical Needs In Schools programme.
- Launching 'The Community Shelf': a project to support our families made vulnerable by COVID-19
- Designing a trust wide curriculum, securing full access to statutory entitlement at all ages and stages.
- Strategically the CEO is looking to enhance practice across the Trust through the further development of the Pedagogical Lead role, Work Experience and Work Related Learning Lead, and Safeguarding Team to ensure consistency across the MAT.
- Cross MAT CPD taking place.
- Value for money being achieved through centralised financial administration.

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

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FOR THE YEAR ENDED 31 AUGUST 2020

STRATEGIC REPORT

Achievements and Performance

Achievement and performance are outlined on each academy website and presented by each academy head through the Learning & Education Committee.

Achievement and performance is set within the context of the provision and the complex nature of the young people we serve. In spite of the turbulence resulting from COVID19, our Year 11 children were very successful in their external accreditations and continued to receive support into their next step destinations. The Trust implemented a robust, centralised, programme of 'Centre Award Grade' recommendations for all students. This enabled centres to recommend grades confidently based on a range of evidence sources. As a result, all of our students celebrated success.

In spite of the COVID19 restrictions, the Trust continued its mission to ensure that students achieved well in public examinations; encouraged a wide range of extra curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their Academy. The Trust remained open throughout 'lock down', providing onsite, off site and virtual education.

Specific achievements were as follows:

- Exams analysis by each academy is undertaken and this year's results were strong when compared with AP settings in any National data.
- A number of students achieved excellent GCSE results including English and Maths.
- Pupil progress is frequently rapid when compared with their most recent experience in school and from baseline measures.
- A significant number of students were involved in vocational learning which is highly specific.
- Attendance figures indicate improved engagement when compared to previous experience in school.

Key Performance Indicators

In the absence of there being national benchmarks for Alternative Provision, the Trust has developed its own system of setting and measuring its own Key Performance indicators (KPIs). The Leadership Team have developed an internal 'target setting' and monitoring system for each Academy in the Trust. These are KS4 centric but also focus progress and outcomes at all ages. These KPIs include, for example, GCSEs and other accredited examinations, pupil progress, attendance, behaviour, student well-being etc.

The Trustees receive regular information at each TB meeting/committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. 190 FTE LA commissioned places remained in place for the year.

Another key financial performance indicator is staffing costs as a percentage of total income (excluding amounts received on conversion and capital income). For 2020 this was 76% (2019: 76%). The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the TB. The Trust successfully restructured all staff during 2018/19, and a restructure of leadership is scheduled for autumn 2020.

The Finance Resources and Audit Committee also monitor premises costs to General Annual Grant (GAG) income, capital spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the TB.

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Going Concern

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

FINANCIAL REVIEW

The principal sources of funding for the Trust are the General Annual Grant (GAG) and other grants that it receives from the Education and Skills Funding Agency (ESFA) and the local authority. For the year ended 31 August 2020 the Trust received total income of £5,938,058 (2019: £6,491,218), all of which (2019: £5,560,324) related to GAG and other funding. The remaining income in 2019 of £930,894 related to assets transferred on conversion. A high percentage of the income from GAG and other funding is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £5,854,069 (2019: £6,115,650) on expenditure. The fixed asset fund at 31 August 2020 totalled £8,485,100 (2019: £8,354,756).

The Trust brought forward from 2018/19 £895,812 of restricted funds excluding pension reserve and £490,941 of unrestricted funding. The carry forward for 2019/20 is £1,060,586 of restricted funding excluding pension reserve and £500,812 of unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £1,989,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

GAG Pooling

The trust has decided to carry out GAG pooling as outlined in the Academies Financial Handbook. The trust has decided to pool its reserves, high needs funding from the local authority & place funding from the ESFA. The purpose of this GAG pooling is to secure the long term financial sustainability of the trust. This will also enable the trust to fund projects across the trust to support school improvement. It also offers greater efficiency savings across the trust through further centralisation.

Reserves Policy

The reserves policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies. This policy was approved by the TB in December 2019.

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year end carry forward figures via the monthly reports from the Business Manager. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and in restricted funds) is £500,812 (2019: £490,941). The Trust's balance on restricted funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2020 was £1,561,398 (2019: £1,386,753).

The cash balance of the Trust has been very healthy all year, ending the year with a balance at the year end of £1,740,449 (2019: £1,627,036). A proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure. The Trustees monitor cash flow as part of the committee Business Manager reports.

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A strategic ICT review continues to be undertaken in 2020/21, and following this review some of the Trust's reserves will be utilised to support improvement.

Investment Policy

An investment policy was approved by the TB in December 2019.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

COVID19 has tested trust wide business continuity and emergency planning, forcing new processes and procedures to be designed, implemented and reviewed. In order to execute this task, Trustees met formally, more frequently to specifically interrogate each site's COVID19 Risk Reduction Road Maps for Opening, and commissioning legal advice to support decision making at each key juncture. Crucially, all staff and all stakeholders participate in a dynamic process of risk reduction measures. COVID19 specific risks are assessed by Trustees as:

- Inability to operate within government COVID19 safety recommendations due to the specific, complex, needs of children. The risk to all members of our community is rated at the highest level
- Substantial increase in spending, specifically the provision of interventions to support very vulnerable children and families; computer hardware to support agile learning and working; and increased staffing necessary to deliver business continuity. The risk to our financial stability is at the highest level
- Significant vulnerabilities and trauma experienced by children requiring intensive support to 'recover' from the negative impact of COVID19 lockdown. The risk of harm being experienced by our children is at the highest level.

As a standard the Trust works with the sub committees and leadership teams in maintaining a central risk register identifying the major risks to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. This work continues alongside our pandemic risk processes. This register is approved and monitored by the TB with a formal review of the process undertaken on an annual basis. The internal control systems and the exposure to identified risks are monitored on behalf of the Trustees at each Finance Resources and Audit Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- Each Academy within the Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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TRUSTEES' REPORT (CONTINUED)
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- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- Reputational - the continuing success of the individual Academies is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline; Recent concerns about gang culture in the locality have resulted in the Trust forging closer collaborations with a range of agencies in our joint commitment to keeping children safe;
- Staffing - the success of the Academies is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- Fraud and mismanagement of funds - in 2019/20 Schools Choice were used but for 2020/21 the Trust has appointed Scrutton Bland to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- Financial instruments - the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- Defined benefit pension liability - as the Government has agreed to meet the defined benefit pension liability of any Academy ceasing to exist the main risk to the Trust is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust and each Academy have continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

Plans for Future Periods

As an approved Academy Sponsor, the Trust is looking at ways it can extend its impact to positively benefit other settings including growing its outreach services and partnering with another MAT to offer specific specialist services.

Sustainability over the next several years remains central to our thinking. Sustainability against the backdrop of the COVID19 pandemic presents unprecedented challenge.

Funds Held as Custodian Trustee on Behalf of Others

The trust does not hold any funds as a custodian Trustee on behalf of others.

Fundraising

The Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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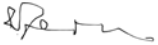
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Auditors

Insofar as the Trustees are aware:

- o there is no relevant audit information of which the Charitable Company's Auditor is unaware, and
- o the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 09 Nov 2020 and signed on its behalf by:



Roger Fern (Nov 9, 2020, 9:10pm)

Roger Fern
Chair of Trustees

RAEDWALD TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Raedwald 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 Raedwald 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 10 times during the year, but also attended a strategy meeting with key staff in September 2019.

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

Trustee	Meetings attended	Out of a possible
Roger Fern, Chair	9	10
Angela Ransby, Chief Executive	10	10
Anna Hennell James, Vice Chair	10	10
Craig D'Cunha, Vice Chair	6	10
Thomas Minnican	5	10
Stephen Skeet	1	1
Colin Kreidewolf	9	10
Nadia Paczuska	1	1
Christine Walters	0	2
Jonathan Reed	3	7

All Learning and Education Committee (LEC) meetings during 2019/20 were professionally clerked, with excellent attendance to the newly formed Learning and Education Committee being noted.

During the year 1 academy was inspected across 3 sites. The overall rating was RI, a judgment that mirrored the Trust's own self evaluation.

The Trust Board as a result of reviewing the effectiveness of the Learning and Education Sub Committee (LEC), the inspection experience and feedback, developed a new risk assessment tool to scrutinise the Quality of Education and Performance of each academy site. This has increased accountability because of improved routes to understand granular level performance. The Sub Committee is made up of local governors and a linked Trustee offers both local knowledge and a broader strategic view of the impact on the Trust for the local academies.

The membership of the committee comprises the local headteacher, linked Trustee and 1 or more local governors. The committee initially meets twice a term presenting information about each academy but also focusing on specific academies per Term in more detail.

For the rest of the term, the governors/trustees attending would need to visit their school twice a term focusing on Strengths and Areas for development, and gaining views from pupils, staff and parents. Over time governors/trustees visit another local academy site within the Trust to share good practice with colleagues and promote system leadership across the Trust.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

This structure means that those governors who were able to support their local academy remain as co opted members of the Trust's Sub Committee, but do not need to meet formally as a local governing body each term. As a Trust we continue to be conscious that for some previous local governing bodies, they would want to remain as a larger group of governors of say 5+ meeting during the term, but the group would be called academy councils, with no requirements for formal minutes, etc.

The Trust felt that this new approach was a collective response to governance from a local and strategic perspective. Improved meeting attendance, and the quality of the meetings, demonstrate desired improvements have been achieved.

Attendance during the year at LEC meetings was as follows:

Trustee	Meetings attended	Out of a possible
Craig D'Cunha	3	3
Maxine Abbott (not a trustee)	2	3
Claire Allsop (not a trustee)	2	3
Helen Ashe (not a trustee)	1	3
Isabel Burgess (not a trustee)	1	2
Roger Fern	2	3
Wendy James (not a trustee)	1	2
Colin Kreidewolf	3	3
Anita Krishna (not a trustee)	1	2
Dawn Marshall (not a trustee)	0	1
Thomas Smith (not a trustee)	3	3
Jane Tempest (not a trustee)	2	3
Andy Solomon (not a trustee)	1	2

The Finance Resources and Audit (FRA) Committee is a sub committee of the main board of Trustees. Its purpose is to provide guidance to the trust board and CEO on all finance, staffing and premises related matters, and to advise the Trust Board and Accounting Officer on the adequacy and effectiveness of the Academy Trust's governance, risk management, internal control and value for money systems and frameworks.

Attendance during the year at FRA meetings was as follows:

Trustee	Meetings attended	Out of a possible
Roger Fern	7	7
Angela Ransby	7	7
Thomas Minnican	6	7
Jonathan Reed	2	5

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- The trust has replaced individual phone systems across four of its sites during 2019/20 with one system which allows calls to be transferred between sites & the ability to divert calls to other sites which will improve the efficiency of the trust.;
- Payroll provider has been moved to a different supplier during the year for a cheaper cost and in addition the new supplier offers the ability for staff to input their own additional hours & mileage claims online which makes the trust more efficient & reduces the administrative burden on the trust.
- A new whole trust broadband contract was put in place during 2019/20 with the same filtering system across the trust as a whole. This has helped to have a better co-ordinated & more efficient approach to IT across the trust as a whole.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Raedwald 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.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on going process for identifying, evaluating and managing the academy 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.

RAEDWALD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance, Resources and Audit 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 Schools Choice as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included both transactional & process testing. Core transactional testing was undertaken which covered a sample of payroll and income transactions, orders/payments and bank reconciliations. In addition, the monitoring reports produced for trustees were checked to ensure there are adequate budgetary control arrangements, and that expenditure against the budget was on target. Following the outcomes of the transactional testing, the audit will focus the remainder of the visit on further testing any risks identified in the transactional testing.

The areas which were covered included:

- Payroll
- Purchasing
- Income controls
- Monitoring and review
- Governance
- Audit
- Planning cycle and budget
- Inventory and security
- Tax
- Insurance
- Data security

On an annual basis, the internal auditor reports to the board of Trustees through the finance committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Our internal auditor has delivered their schedule of work as planned and there were no material control issues arising as a result of the internal auditor's work.

RAEDWALD TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

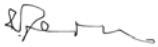
Review of effectiveness

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 auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the senior management team within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the FRA 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:



Roger Fern (09 Nov 2020, 9:10pm)

Chair of Trustees

Date:

09 Nov 2020



Angela Ransby (09 Nov 2020, 10:27am)

Accounting Officer

RAEDWALD TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the academy trust board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy 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.

Angela Ransby

Angela Ransby (Nov 16, 2020, 10:27am)

Angela Ransby
Accounting Officer
Date: 16 Nov 2020

RAEDWALD TRUST
(A Company Limited by Guarantee)

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. 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:

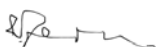
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:



Roger Fern (Nov 9, 2020, 9:10pm)

Roger Fern
Chair of Trustees

Date: 09 Nov 2020

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Raedwald Trust (the 'academy 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 academy 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 academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

RAEDWALD TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAEDWALD 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

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

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

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

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

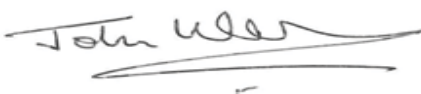
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



John Warren BSc FCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditors

Anglia House, 6 Central Avenue

St Andrews Business Park

Thorpe St Andrew

Norwich

Norfolk

NR7 0HR

Date: 17 November 2020

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 20 August 2018 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 Raedwald 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 Raedwald Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Raedwald 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 Raedwald Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Raedwald Trust's funding agreement with the Secretary of State for Education dated December 2014 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.

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

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.



Reporting Accountant
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Anglia House, 6 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Date: 17 November 2020

RAEDWALD 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					
Assets transferred on conversion		-	-	-	-	930,894
Other donations and capital grants		7,063	57,277	306,932	371,272	140,377
Charitable activities	4	6,030	5,526,875	-	5,532,905	5,407,779
Other trading activities	5	33,223	-	-	33,223	11,246
Investments	6	658	-	-	658	922
Total income		46,974	5,584,152	306,932	5,938,058	6,491,218
Expenditure on:						
Charitable activities	7	37,103	5,548,451	268,515	5,854,069	6,115,650
Total expenditure		37,103	5,548,451	268,515	5,854,069	6,115,650
Net income/ (expenditure)		9,871	35,701	38,417	83,989	375,568
Transfers between funds	17	-	(91,927)	91,927	-	-
Net movement in funds before other recognised gains/(losses)		9,871	(56,226)	130,344	83,989	375,568
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(125,000)	-	(125,000)	(603,000)
Net movement in funds		9,871	(181,226)	130,344	(41,011)	(227,432)

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
Note					
Reconciliation of funds:					
Total funds brought forward	490,941	(747,188)	8,354,756	8,098,509	8,325,941
Net movement in funds	9,871	(181,226)	130,344	(41,011)	(227,432)
Total funds carried forward	<u>500,812</u>	<u>(928,414)</u>	<u>8,485,100</u>	<u>8,057,498</u>	<u>8,098,509</u>

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

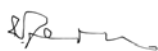
The notes on pages 28 to 56 form part of these financial statements.

RAEDWALD TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08702099

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	8,206,523	8,348,170
Current assets			
Stocks	14	-	2,002
Debtors	15	463,471	218,013
Cash at bank and in hand		1,740,449	1,627,036
		2,203,920	1,847,051
Creditors: amounts falling due within one year	16	(363,945)	(453,712)
Net current assets		1,839,975	1,393,339
Total assets less current liabilities		10,046,498	9,741,509
Net assets excluding pension liability		10,046,498	9,741,509
Defined benefit pension scheme liability	23	(1,989,000)	(1,643,000)
Total net assets		8,057,498	8,098,509
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	17	8,485,100	8,354,756
Restricted income funds	17	1,060,586	895,812
Restricted funds excluding pension asset	17	9,545,686	9,250,568
Pension reserve	17	(1,989,000)	(1,643,000)
Total restricted funds	17	7,556,686	7,607,568
Unrestricted income funds	17	500,812	490,941
Total funds		8,057,498	8,098,509

The financial statements on pages 24 to 56 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:



09 Nov 2020

Roger Fern
Roger Fern (Nov 9, 2020, 9:10pm)
 Chair of Trustees

The notes on pages 28 to 56 form part of these financial statements.

RAEDWALD TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	171,585	(188,206)
Cash flows from investing activities			
	20	(58,172)	53,051
Change in cash and cash equivalents in the year		113,413	(135,155)
Cash and cash equivalents at the beginning of the year		1,627,036	1,762,191
Cash and cash equivalents at the end of the year	21, 22	1,740,449	1,627,036

The notes on pages 28 to 56 form part of these financial statements

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

Raedwald Trust is a private company limited by guarantee incorporated in England and Wales under the Companies Act 2006. It is registered at the following address: Parkside School, 291 Spring Road, Ipswich, Suffolk, IP4 5ND. The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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 academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Following the year end the Academy Trust has been affected to a limited extent by restrictions imposed by the UK Government in response to the COVID-19 pandemic.

The Academy Trust derives the majority of its income from local and national government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Academy can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Academy Trust were not able to continue as a going concern.

RAEDWALD 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 academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

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

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

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

• **Donations**

Donations are recognised on a receivable basis where the receipt is probable and the amount can be reliably measured.

• **Other income**

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

• **Transfer on conversion**

Where assets and liabilities are received by the academy 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 academy 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.

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

RAEDWALD 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 (continued)

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 academy trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets costing £1,000 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.

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, as follows:

Depreciation is provided on the following bases:

Leasehold land	- over the term of the lease being 125 years
Leasehold property	- at various terms between 10 and 50 years straight line
Furniture and equipment	- 10% to 20% straight line
Computer equipment	- 10% to 20% straight line
Motor vehicles	- 10% straight line

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

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 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.

1.10 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.

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.13 Operating leases

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

RAEDWALD TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Academy Trust is demonstrably committed to either:

- terminate the employment of an employee or group of employees before normal retirement date;
- provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

The Trust is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

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

1. Accounting policies (continued)

1.16 Fund accounting

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

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

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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.

Depreciation is an estimate based on the useful economic life of the assets.

Assets on conversion in the financial statements for the year ended 31 August 2019, included as income and as fixed assets on the balance sheet, were valued by an independent 3rd party.

There were no judgments used in the preparation of the financial statements.

RAEDWALD TRUST
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**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 £	Total funds 2019 £
Donations					
Assets transferred on conversion	-	-	-	-	930,894
Other donations	7,063	57,277	-	64,340	5,199
Total donations	<u>7,063</u>	<u>57,277</u>	<u>-</u>	<u>64,340</u>	<u>936,093</u>
Capital Grants from ESFA	-	-	306,932	306,932	125,399
Other capital grants	-	-	-	-	9,779
Total grants	<u>-</u>	<u>-</u>	<u>306,932</u>	<u>306,932</u>	<u>135,178</u>
	<u>7,063</u>	<u>57,277</u>	<u>306,932</u>	<u>371,272</u>	<u>1,071,271</u>
Total 2019	<u><u>98,945</u></u>	<u><u>(31,287)</u></u>	<u><u>1,003,613</u></u>	<u><u>1,071,271</u></u>	

In 2019, income transferred on conversion was £930,894, of which £98,459 was unrestricted and £832,435 was restricted.

In 2019, income from other donations was £5,199, of which £486 was unrestricted and £4,713 was restricted.

In 2019, income from capital grants was £135,178, all of which was restricted. £125,399 related to capital grants from ESFA and £9,779 related to other capital grants.

RAEDWALD TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

4. Funding for the academy trust's provision of education

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	1,900,000	1,900,000	1,859,947
Other DfE/ESFA grants	-	78,314	78,314	83,176
	-	1,978,314	1,978,314	1,943,123
Other government grants				
Local authority grants	-	3,449,194	3,449,194	3,406,381
	-	3,449,194	3,449,194	3,406,381
Other funding				
Catering income	2,210	-	2,210	3,745
Income from other schools	3,440	99,367	102,807	33,251
Other income	380	-	380	21,279
	6,030	99,367	105,397	58,275
	6,030	5,526,875	5,532,905	5,407,779
Total 2019	43,109	5,364,670	5,407,779	

In 2019, income from DfE/ESFA grants was £1,943,123 which was all restricted.

In 2019, income from other government grants was £3,406,381 of which £17,360 was unrestricted and £3,389,021 was restricted.

In 2019, other income from the academy trust's educational operations amounted to £58,275 of which £3,745 catering income was unrestricted, income from other schools included £725 unrestricted and £32,526 restricted funds, and other income of £21,279 was unrestricted.

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

5. Income from other trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Rental Income	7,764	7,764	6,741
Other Income	25,459	25,459	4,505
	<u>33,223</u>	<u>33,223</u>	<u>11,246</u>
Total 2019	<u>11,246</u>	<u>11,246</u>	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Bank interest	658	658	922
	<u>922</u>	<u>922</u>	
Total 2019	<u>922</u>	<u>922</u>	

7. Expenditure

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £	Total 2019 £
Provision of Education:					
Direct costs	3,815,637	-	522,729	4,338,366	4,119,432
Allocated support costs	630,982	115,752	768,969	1,515,703	1,996,218
	<u>4,446,619</u>	<u>115,752</u>	<u>1,291,698</u>	<u>5,854,069</u>	<u>6,115,650</u>
Total 2019	<u>4,112,045</u>	<u>120,411</u>	<u>1,883,194</u>	<u>6,115,650</u>	

RAEDWALD TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

7. Expenditure (continued)

In 2019, direct expenditure consisted of £3,479,462 staff costs and £639,970 other costs.

In 2019, support expenditure consisted of £632,583 staff costs, £120,411 premises costs and £1,243,224 other costs.

In 2020, of the total expenditure, £37,103 (2019: £44,993) was to unrestricted funds, £5,327,451 (2019: £5,816,237) was to restricted funds and £268,515 (2019: £254,420) was to restricted fixed asset funds.

8. Charitable Activities

	2020 £	2019 £
Direct costs - educational operations	4,338,366	4,119,432
Support costs - educational operations	1,515,703	1,996,218
	5,854,069	6,115,650

Analysis of support costs

	2020 £	2019 £
Support staff costs	630,982	632,583
Depreciation	263,923	254,420
Technology costs	1,191	1,295
Premises costs	115,752	120,411
Legal costs - on conversion	-	8,307
Legal costs - other	31,112	53,088
Other support costs	457,883	909,799
Governance costs	14,860	16,315
	1,515,703	1,996,218

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

9. Net income

Net income for the year includes:

	2020	2019
	£	£
Operating lease rentals	177	708
Depreciation of tangible fixed assets	263,923	254,420
Loss on disposal of fixed assets	4,592	-
Fees paid to auditors for:		
- Audit	10,275	9,975
- Other services	7,320	6,340
	17,187	16,683

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	3,197,581	3,034,521
Social security costs	293,451	268,340
Pension costs	889,176	692,216
	4,380,208	3,995,077
Agency staff costs	66,411	101,134
Staff restructuring costs	-	15,834
	4,446,619	4,112,045

Staff restructuring costs comprise:

Exit payments	-	15,834
	-	15,834

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

There were no non-statutory/non-contractual staff severance payments for either 2020 or 2019.

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

10. Staff (continued)

c. Staff numbers

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

	2020 No.	2019 No.
Teachers	53	52
Administration and support	64	73
Management	6	5
	<u>123</u>	<u>130</u>

d. Higher paid staff

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £392,419 (2019 £360,198).

Included in the above are employer pension contributions of £65,455 (2019: £44,116) and employer national insurance contributions of £34,373 (2019: £32,555).

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

11. Trustees' remuneration and expenses

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

		2020	2019
		£	£
Angela Ransby, Chief Executive	Remuneration	75,000 - 80,000	70,000 - 75,000
	Pension contributions paid	15,000 - 20,000	10,000 - 15,000

During the year ended 31 August 2020, expenses relating to travel costs totalling £1,351 (2019: £2,741) were reimbursed or paid directly to 2 Trustees (2019: 1 Trustee).

12. Trustees' and Officers' insurance

The academy 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.

RAEDWALD TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

13. Tangible fixed assets

	Long-term leasehold land and property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2019	8,560,489	166,846	225,781	44,332	8,997,448
Additions	-	35,070	78,298	13,500	126,868
Disposals	-	(5,740)	-	-	(5,740)
At 31 August 2020	<u>8,560,489</u>	<u>196,176</u>	<u>304,079</u>	<u>57,832</u>	<u>9,118,576</u>
Depreciation					
At 1 September 2019	478,034	36,569	122,120	12,555	649,278
Charge for the year	186,921	18,938	50,911	7,153	263,923
On disposals	-	(1,148)	-	-	(1,148)
At 31 August 2020	<u>664,955</u>	<u>54,359</u>	<u>173,031</u>	<u>19,708</u>	<u>912,053</u>
Net book value					
At 31 August 2020	<u><u>7,895,534</u></u>	<u><u>141,817</u></u>	<u><u>131,048</u></u>	<u><u>38,124</u></u>	<u><u>8,206,523</u></u>
At 31 August 2019	<u><u>8,082,455</u></u>	<u><u>130,277</u></u>	<u><u>103,661</u></u>	<u><u>31,777</u></u>	<u><u>8,348,170</u></u>

All property within the Trust relates to Long Term leases with Suffolk County Council. The leases are originally in place for 125 years, and the valuations were carried out by independent professional valuers at the date of conversion to Raedwald Trust. No rental payments are due on these properties. The occupancy arrangements for the property related to the schools used by the Trust.

14. Stocks

	2020 £	2019 £
School uniforms	<u><u>-</u></u>	<u><u>2,002</u></u>

RAEDWALD TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

15. Debtors

	2020 £	2019 £
Due within one year		
VAT recoverable	43,428	74,471
Prepayments and accrued income	420,043	143,542
	463,471	218,013
	463,471	218,013

16. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	73,206	165,581
Other taxation and social security	75,290	73,530
Other creditors	78,100	133,589
Accruals and deferred income	137,349	81,012
	363,945	453,712
	363,945	453,712

	2020 £	2019 £
Deferred income		
Resources deferred during the year	66,358	-
	66,358	-
	66,358	-

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

17. Statement of funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Unrestricted funds	490,941	46,974	(37,103)	-	-	500,812
Restricted general funds						
General Annual Grant (GAG)	220,875	1,900,000	(1,038,217)	(58,827)	-	1,023,831
Other DfE/ESFA Grants	-	17,104	(9,349)	-	-	7,755
Other government grants	664,100	3,156,734	(3,820,834)	-	-	-
Pupil Premium	-	61,210	(33,210)	-	-	28,000
Other restricted funds	(1,391)	391,827	(390,436)	-	-	-
CIF Income - not capitalised	12,228	-	(12,228)	-	-	-
Restricted donations	-	57,277	(23,177)	(33,100)	-	1,000
Pension reserve	(1,643,000)	-	(221,000)	-	(125,000)	(1,989,000)
	<u>(747,188)</u>	<u>5,584,152</u>	<u>(5,548,451)</u>	<u>(91,927)</u>	<u>(125,000)</u>	<u>(928,414)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	8,276,276	-	(263,929)	68,039	-	8,080,386
Capital expenditure from revenue funding	71,896	-	(4,586)	58,827	-	126,137
DfE/ESFA Capital grants	6,584	306,932	-	(34,939)	-	278,577
	<u>8,354,756</u>	<u>306,932</u>	<u>(268,515)</u>	<u>91,927</u>	<u>-</u>	<u>8,485,100</u>
Total Restricted funds	<u>7,607,568</u>	<u>5,891,084</u>	<u>(5,816,966)</u>	<u>-</u>	<u>(125,000)</u>	<u>7,556,686</u>

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

17. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total funds	8,098,509	5,938,058	(5,854,069)	-	(125,000)	8,057,498

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

General Annual Grant

This represents funding from the ESFA to cover the costs of recurrent expenditure.

The transfer from GAG relates to the contribution from GAG funding towards the purchase of capital assets during the year.

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

Other DfE/ESFA Grants

This represents other income from DfE / ESFA received in the period.

Start up Grant

In 2019, this represented a grant to aid with start up costs for a new academy on conversion into the Trust.

Other government grants

This represents other funding from the government towards the provision of education.

Pupil premium

This represents funding to help raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Other restricted

This represents funding received from other bodies towards a specific purpose.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a state controlled school.

The restricted pension fund is materially in deficit and plans to eliminate the liability on the defined benefit pension scheme are set out in note 23 based on the period end actuarial valuation.

Restricted fixed asset fund

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

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

17. Statement of funds (continued)

The total fixed asset funds are £8,485,100 at 31 August 2020, and the total fixed assets on the balance sheet are £8,206,523. The difference of £278,577 relates to accrued CIF funding where the expenditure has not yet been incurred.

DfE/ESFA Capital Grants

The Academy Trust is to use the Devolved Formula Capital (DFC) fund allocation to maintain and improve its buildings and facilities.

The Academy Trust is to use the Condition Improvement Fund (CIF) income to address significant condition need, keeping academy buildings safe and in good working order.

CIF income not capitalised

CIF income not capitalised relates to Condition Improvement Funding where the expenditure on the funded project does not meet the capitalisation policy of the Trust.

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

17. Statement of funds (continued)

Restricted donations

Restricted donations are donations from non DfE/ESFA or local authority sources, which the donor has restricted the income for a specific purpose.

Capital expenditure from revenue

Capital expenditure from revenue relates to expenditure which meets the capitalisation policy of the Trust but which has been funded using revenue funding, such as GAG or other sources.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Raedwald Trust	1,525,643	1,382,635
Parkside Academy	13,900	3,903
Westbridge Academy	5,200	-
Alderwood Academy	2,600	215
St Christophers Academy	13,613	-
First Base Ipswich Academy	442	-
First Base Bury Academy	-	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,561,398	1,386,753
Restricted fixed asset fund	8,485,100	8,354,756
Pension reserve	(1,989,000)	(1,643,000)
	<hr/>	<hr/>
Total	8,057,498	8,098,509
	<hr/> <hr/>	<hr/> <hr/>

As the Trust now pools GAG, the only balances remaining at Academy level are those which are restricted to that particular school.

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

17. 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 £
Raedwald Trust	788,383	430,682	175,379	204,649	1,599,093	1,196,767
Parkside Academy	1,153,685	149,397	230,625	115,516	1,649,223	2,040,745
Westbridge Academy	358,136	51,648	64,957	35,078	509,819	761,449
Alderwood Academy	450,519	42,453	58,275	71,714	622,961	660,809
St Christophers Academy	515,338	39,827	37,004	92,548	684,717	686,661
First Base Ipswich Academy	176,566	7,455	12,599	43,339	239,959	330,868
First Base Bury Academy	219,048	29,386	10,327	25,613	284,374	183,931
Academy trust	<u><u>3,661,675</u></u>	<u><u>750,848</u></u>	<u><u>589,166</u></u>	<u><u>588,457</u></u>	<u><u>5,590,146</u></u>	<u><u>5,861,230</u></u>

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

17. Statement of funds (continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds	385,085	154,222	(44,993)	(3,373)	-	490,941
Restricted general funds						
General Annual Grant (GAG)	171,160	1,870,264	(1,800,896)	(19,653)	-	220,875
Other DfE/ESFA Grants	-	8,300	(8,300)	-	-	-
Start up Grants	23,600	-	(21,780)	(1,820)	-	-
Other government grants	577,118	3,202,966	(3,113,634)	(2,350)	-	664,100
Pupil Premium	-	64,559	(64,559)	-	-	-
Other restricted funds	4,300	223,294	(227,889)	(1,096)	-	(1,391)
CIF Income - not capitalised	394,067	-	(452,179)	70,340	-	12,228
Pension reserve	(877,000)	(36,000)	(127,000)	-	(603,000)	(1,643,000)
	<u>293,245</u>	<u>5,333,383</u>	<u>(5,816,237)</u>	<u>45,421</u>	<u>(603,000)</u>	<u>(747,188)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Funds	7,590,305	868,435	(251,916)	69,452	-	8,276,276
Capital expenditure from revenue funding	46,108	-	(2,504)	28,292	-	71,896
Capital grants from other government funding	6,018	9,779	-	(15,797)	-	-
DfE/ESFA Capital grants	5,180	125,399	-	(123,995)	-	6,584
	<u>7,647,611</u>	<u>1,003,613</u>	<u>(254,420)</u>	<u>(42,048)</u>	<u>-</u>	<u>8,354,756</u>

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17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Total Restricted funds	7,940,856	6,336,996	(6,070,657)	3,373	(603,000)	7,607,568

18. 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	-	-	8,206,523	8,206,523
Current assets	500,812	1,424,531	278,577	2,203,920
Creditors due within one year	-	(363,945)	-	(363,945)
Pension scheme liability	-	(1,989,000)	-	(1,989,000)
Total	500,812	(928,414)	8,485,100	8,057,498

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	8,348,170	8,348,170
Current assets	490,941	1,349,524	6,586	1,847,051
Creditors due within one year	-	(453,712)	-	(453,712)
Provisions for liabilities and charges	-	(1,643,000)	-	(1,643,000)
Total	490,941	(747,188)	8,354,756	8,098,509

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19. Reconciliation of net income to net cash flow from operating activities

	2020 £	2019 £
Net income for the period (as per Statement of Financial Activities)	83,989	375,568
Adjustments for:		
Depreciation	263,923	254,420
Capital grants from DfE and other capital income	(346,595)	(77,614)
Dividends, interest and rents from investments	(658)	(922)
Defined benefit pension scheme obligation inherited	-	36,000
Defined benefit pension scheme cost less contributions payable	221,000	127,000
Decrease in stocks	2,002	130
Decrease/(increase) in debtors	33,099	(12,463)
(Decrease)/increase in creditors	(89,767)	76,569
Net assets from local authority on conversion	-	(966,894)
Loss on fixed asset disposals	4,592	-
Net cash provided by/(used in) operating activities	171,585	(188,206)

20. Cash flows from investing activities

	2020 £	2019 £
Dividends, interest and rents from investments	658	922
Purchase of tangible fixed assets	(126,868)	(97,744)
Capital grants from DfE Group	68,038	51,414
Local authority balance received on conversion	-	98,459
Net cash (used in)/provided by investing activities	(58,172)	53,051

21. Analysis of cash and cash equivalents

	2020 £	2019 £
Cash in hand	1,740,449	1,627,036
Total cash and cash equivalents	1,740,449	1,627,036

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22. Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	1,627,036	113,413	1,740,449
	<u>1,627,036</u>	<u>113,413</u>	<u>1,740,449</u>

23. Pension commitments

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

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

Contributions amounting to £77,559 were payable to the schemes at 31 August 2020 (2019 - £72,724) 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.

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23. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury 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 £446,337 (2019 - £285,234).

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 academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £311,000 (2019 - £370,982), of which employer's contributions totalled £248,000 (2019 - £305,982) and employees' contributions totalled £ 63,000 (2019 - £65,000). The agreed contribution rates for future years are 19.5 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the academy 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 academy 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Principal actuarial assumptions

	2020 %	2019 %
Rate of increase in salaries	2.90	2.60
Rate of increase for pensions in payment/inflation	1.00	2.30
Discount rate for scheme liabilities	1.70	1.90
Commutation of pensions to lump sums	25	25

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

	2020 Years	2019 Years
Retiring today		
Males	21.9	21.3
Females	24.1	23.5
Retiring in 20 years		
Males	22.7	22.3
Females	25.6	24.9

As at the 31 August 2020 the Trust had a pension liability of £1,989,000 (2019 - £1,643,000). The sensitivity analysis detailed below would increase/(decrease) the closing defined benefit obligation in the following way;

Sensitivity analysis

	2020 £000	2019 £000
Discount rate +0.1%	(130,256)	(112,084)
Discount rate -0.1%	130,256	112,084
Mortality assumption - 1 year increase	18,608	16,012
Mortality assumption - 1 year decrease	(18,608)	(16,012)
CPI rate +0.1%	102,344	88,066
CPI rate -0.1%	(102,344)	(88,066)

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23. Pension commitments (continued)

Share of scheme assets

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

	2020 £	2019 £
Equities	1,571,000	1,180,000
Corporate bonds	692,000	637,000
Property	240,000	519,000
Cash and other liquid assets	160,000	24,000
Total market value of assets	<u><u>2,663,000</u></u>	<u><u>2,360,000</u></u>

The actual return on scheme assets was £17,000 (2019 - £109,000).

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

	2020 £	2019 £
Current service cost	(436,000)	(392,000)
Past service cost	-	(16,000)
Interest income	48,000	57,000
Interest cost	(81,000)	(83,000)
Total amount recognised in the Statement of Financial Activities	<u><u>(469,000)</u></u>	<u><u>(434,000)</u></u>

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

	2020 £	2019 £
At 1 September	4,003,000	2,687,000
Conversion of academy trusts	-	105,000
Current service cost	436,000	392,000
Interest cost	81,000	83,000
Employee contributions	63,000	65,000
Actuarial losses	94,000	655,000
Past service costs	-	16,000
Effective business combinations	(25,000)	-
At 31 August	<u><u>4,652,000</u></u>	<u><u>4,003,000</u></u>

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23. Pension commitments (continued)

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

	2020 £	2019 £
At 1 September	2,360,000	1,810,000
Conversion of academy trusts	-	69,000
Interest income	48,000	57,000
Actuarial (losses)/gains	(31,000)	52,000
Employer contributions	248,000	307,000
Employee contributions	63,000	65,000
Effective business combinations	(25,000)	-
At 31 August	<u>2,663,000</u>	<u>2,360,000</u>

24. Operating lease commitments

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

	2020 £	2019 £
Not later than 1 year	<u>-</u>	<u>177</u>

25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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.

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26. Related party transactions

Owing to the nature of the academy 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 academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Related party transactions in the year were as follows:

Orwell Multi Academy Trust (OMAT)

R Fern (Chair) is the Chair of Trustees at Orwell Multi Academy Trust (OMAT). A Whittaker is a Trustee at OMAT. A Hennell James (Vice Chair & Trustee) is also CEO at OMAT. During the year, the Trust used meeting rooms costing £30 (2019: £50) in the year ended 31 August 2020. There was no balance due at the year end (2019: £Nil).

Inspire Suffolk

R Fern (Chair) and A Whittaker (Member) are also Trustees of Inspire Suffolk. During the year, the Trust used the sports facilities and paid for site maintenance costs totalling £2,578 (2019: £6,765). There was no balance due at the year end (2019: £Nil).

The trustees confirm that the element of this expenditure above £2,500 has been provided at no more than cost.

Keyhole Surgery Locksmiths

This entity is run by S Chittock, a close family member of R Fern (Chair). During the year, this entity carried out carpentry and locksmith repairs at the Trust, costing £2,702 (2019: £638). There was no balance due at the year end (2019: £Nil).

The trustees confirm that the element of this expenditure above £2,500 has been provided at no more than cost.

Belle Connection

This entity is run by E Chittock, a close family member of R Fern (Chair). During the year, this entity provided nail workshops for pupils, costing the Trust £905 (2019: £1,395). There was no balance due at the year end (2019: £Nil).

There are no other related party transactions to disclose (2019: £Nil).