

Edukos Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Edukos Trust

Contents

Reference and Administrative Details	1 to 2
Trustees' Annual Report	3 to 8
Governance Statement	9 to 11
Statement of Regularity, Propriety and Compliance	12
Statement of Trustees' Responsibilities	13
Independent Auditor's Report on the Financial Statements to the Members of Edukos Trust	14 to 16
Independent Reporting Accountant's Assurance Report on Regularity	17 to 18
Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account)	19 to 20
Balance Sheet as at 31 August 2021	21
Statement of Cash Flows for the year ended 31 August 2021	22
Notes to the Financial Statements	23 to 42

Edukos Trust

Reference and Administrative Details

Members	H Thomas N Greenfield L Dawson
Trustees (Directors)	S Breene N Greenfield, Chair C Huscroft, Chief Executive Officer (CEO) E Macdonald K Rowe (resigned 20 November 2020) S Lyon C Wilson N Robinson J Sutherland S Myers (appointed 2 July 2021)
Company Secretary	S Crawford
Senior Management Team	C Huscroft, CEO H Stephenson, Head of School - Swanland A Oxtoby, Head of School - Dunswell H Whyley, Executive Head Teacher - Airmyn C Ainley, Head of School - Hook S Patrick, Assistant Head - Swanland S Crawford, Chief Finance Officer C Yewman, Assistant Head - Hook
Principal and Registered Office	c/o Swanland Primary School Tranby Lane Swanland East Yorkshire HU14 3NE
Company Registration Number	07679051
Auditors	Forrester Boyd Chartered Accountants 26 South St Mary's Gate Grimsby N E Lines DN31 1LW
Bankers	Lloyds Banking Group 1-7 George Street Hull HU1 3BB

Edukos Trust

Reference and Administrative Details (continued)

Solicitors

Rollits LLP
Citadel House
58 High Street
Hull
HU1 1QE

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021

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

The Trust operates four academies for pupils aged 4 to 11 serving catchment areas in the East Riding of Yorkshire.

School Name	Published Admission Number	NOR (census data October 2020)
Airmyn Park Primary School	105	107
Dunswell Academy	105	94
Hook C E Primary School	210	207
Swanland Primary School	420	417

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07679051.

The trustees of Edukos Trust are also the directors of the charitable company for the purposes of company law.

Details of the trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the 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 cease to be a member.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Method of recruitment and appointment or election of Directors

The number of Directors shall be not less than three nor more than twelve;

Subject to Articles 48-49, the Company shall have the following Directors:

- (a) Up to seven Directors, appointed under Articles 50 and 50AA combined; and
- (b) 2 Staff Directors appointed under Article 50A; and
- (c) Parent Directors if appointed under Articles 53-56 in the event that no provision is made for parent representatives on Local Governing Bodies under Article 101A.

The Company may also have any Co-opted Director appointed under Article 58.

The first Directors shall be those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act 2006.

Future Directors shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Director to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

Full details relating to the appointment and removal of Directors are contained in the Articles of Association.

During the year under review the Board of Trustees held 3 formal meetings.

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Policies and procedures adopted for the induction and training of Trustees

All new Trustees are inducted into their role by the Chairman of the Trust and the Chief Executive Officer, along with the support of the Clerk to the Governing Body, to ensure that they understand their Trustee responsibilities and duties as a Director.

Trustee training is provided as required either on request by the Trustees or on the recommendation of the Chief Executive Officer.

Organisational structure

The Board of Trustees (Directors) has strategic oversight of the operation of the Academy Trust. In order to undertake its accountabilities, it has established the following committees to provide it with the information needed in order to fulfil its statutory duties:

Business and Audit
Finance
Personnel
Local Governing Boards
School Improvement

The Chief Executive Officer is the Trust's Accounting Officer and in this role, under the leadership of the Trust's Chief Finance Officer, who is a fully qualified accountant and under the guidance of the Trustees (Directors), ensures appropriate oversight of financial transactions.

Arrangements for setting pay and remuneration of key management personnel

- The CEO has their pay set without reference to the group size of any school they are linked with. Their pay scale is set on the Edukos Trust leadership scale to reflect the size and challenge of their trust role. The Chair of Trustees advises on the range for the CEO with external advice and following consideration by the Trustees of a business case, to support the rationale that underpins the decision.

- The Head Teacher/Head of School is appointed on a range set by the Trustees. The range reflects the context, complexity and challenge of the role and is not necessarily linked to the group size of the school/academy.

Trade Union facility time

There has been no trade union facility time in the year.

Connected organisations, including related party relationships

The Academy Trust currently has the following connected organisations or related party relationships:

Wolds Teaching School Alliance.

Hull Collaborative Academy Trust

Sheffield Diocese Board of Education

Objectives and activities

Objects and aims

The Academy Trust's objectives are set to reflect the educational aims and ethos of the schools. In setting the objectives and planning the activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The main objects of the Academy Trust are:

Advancing education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Objectives, strategies and activities

The main objectives between 1st September 2020 to 31 August 2021 were:

To provide an exceptional school experience, encompassing both education and wellbeing, for a greater number of children;

To enable growth for the professional development and retention of staff;

To ensure financial viability for Edukos' current and future schools;

Continue to work with DfE to raise the awareness of Edukos Trust with the East Riding of Yorkshire;

To support schools through with the COVID – 19 Pandemic.

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 and to have due regard to the public benefit guidance provided by the Charity Commission for England and Wales.

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

Key non-financial performance indicators

Owing to the Global Pandemic, routine assessments were unable to take place and therefore there is no national data to share as part of this report.

Key financial performance indicators

The Academy understands that its biggest expense is staff costs and that this must be carefully monitored. The Academy expects that staff costs should be less than 80% of income in order to remain efficient. In the year to 31 August 2021 staff costs were 84% (2020: 83%) of incoming resources, excluding capital and actuarial adjustments.

Going concern

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

Financial review

The financial results for the year were as expected.

The Academy's main source of income, the General Annual Grant (GAG), consists mainly of the funding for individual pupils aged between 4 and 11.

Careful financial management had enabled Edukos Trust to operate with a surplus balance. At 31 August 2021 balances on the restricted and unrestricted funds of £384,984 (2020: £434,225) surplus and £85,025 (2020: £62,178) surplus, respectively, were carried forward.

Excluding pension and capital, there was a total in year deficit of £26,394, therefore free reserves are £470,009.

The Academy's non-teaching staff are entitled to membership of the Local Government Pension Scheme (LGPS). The total pension liability at the year end was £3,322,000. The pension scheme as a whole has performed as expected and current market conditions have led to an actuarial loss in the current financial year

Steps are being taken to eliminate the pension scheme deficit as contributions are being made in line with actuarial advice. It is possible that the deficit can have an effect on the cash flow of the Academy Trust, as it may mean contributions will have to change again in the future.

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Financial and risk management objectives and policies

The Trustees are continuing to review a number of systems to assess risks that the school faces and they have introduced systems and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls.

The Trustees have reviewed current examples of best practice and have:

- set policies on internal controls which cover the following:
 - o the type of risks the Academy faces;
 - o the level of risks which they regard as acceptable;
 - o the likelihood of the risks materialising;
 - o the Academy's ability to reduce the incidence and impact on the Academy's operations of risks that do materialise;
 - o the costs of operating particular controls relative to the benefits obtained.
- clarified the responsibility of the Senior Leadership Team to implement the Trustees'/Governors' policies and to identify and evaluate risks for the Trustees'/Governors' consideration;
- explained to employees that they have responsibility for internal control as part of their accountability for achieving objectives;
- embedded the control system in the Academy's operations so that it becomes part of the culture of the Academy;
- developed systems to respond quickly to evolving risks arising from factors within the Academy and to changes in the external environment; and
- included procedures for reporting failings immediately to appropriate levels of management and the Trustees together with details of corrective action being undertaken.

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The educational obligations that the Academy Trust has on a day-to-day basis are funded from its restricted reserves that were provided for this purpose. The Trustees need to ensure that the Academy Trust has sufficient working capital to cover delays between receipt of grants and spending, and are able to deal with unexpected emergencies that may arise such as emergency maintenance.

The Academy Trust held balances as at 31 August 2021, excluding the LGPS pensions deficit of £8,216,263 (2020: £8,237,974), comprising £384,984 surplus of restricted funds (2020: £434,225), £7,746,254 surplus of Restricted Fixed Asset Funds, of which £7,659,929 can only be realised by disposing of tangible fixed assets (2020: £7,701,307), and £85,025 surplus of other unrestricted reserves (2020: £62,178).

The Trust aims to hold reserves of a minimum of one month's expenditure, approximately £370,000. Free reserves currently total £470,009 which is in excess of this policy.

Investment policy

An investment policy has been implemented in the year, which sets out the level of risk the academy deems appropriate for investments. Currently, the Academy Trust has no investments, other than interest generated on the school's current account.

Principal risks and uncertainties

The Academy has identified principal risks and uncertainties including:

1. Income reduction as a result of changes to the national funding formula for pupils in the school;
2. On-going national curriculum changes and educational reforms;
3. Increased pressure owing to the levels of SEND children being educated in Trust schools;
4. Significant growth in pupil numbers on roll owing to the Fair Access Policy increasing class sizes beyond the efficiency and capacity of school infrastructure.

Edukos Trust

Trustees' Annual Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Fundraising

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

Plans for future periods

In order to continue to develop with consistency and coherence, we have agreed the following three key themes for schools' development planning over the next year:

To ensure that the mental health and wellbeing of staff has a clear focus and policy is in place

To ensure that the curriculum delivered in all trust schools is clearly rationalised and provides the widest possible opportunities for our children.

To ensure that trust schools are prepared and ready to deliver phonics and early reading.

Continue to develop the writing process that will allow for more children to gain expected and particularly greater depth.

Key activities include:

With mental health and wellbeing being a high priority area both nationally and in the new OfSTED framework, the Trust plans to formulate a policy which clearly addresses this area to ensure that staff are well supported and cared for. Furthermore, there will be clearly identified people within the Trust who will be trained to support their colleagues.

Having undertaken external training and conferences, trust schools will, together, review their curriculum to ensure that they are providing a breadth of opportunities for children in their school. Additionally, to ensure that the school has a clear rationale for the delivery of their curriculum and that through peer to peer support/quality assurance this can be seen in action in each school. The Trust is supporting leaders of subjects to formulate clear action plans and ensure that there are well prepared to speak about their subject area.

Early reading and phonics is very high on the agenda for schools as this is a significant judgement factor during a school's inspection, therefore the trust sees this as a priority to support schools with implementing this across the schools.

Working with all trust schools to ensure that the writing process is developed, allowing more children to gain expected and especially greater depth. This will include working collaboratively with key leaders and teachers who will share best practice around how they work with their children to help them make more progress.

Employment of disabled persons

The policy of the Academy is to support recruitment and retention of students and employees with disabilities. The Academy supports this by adapting the physical environment wherever possible, by making support resources available and through training and career development. Improvements to existing buildings all recognise the need to be fully DDA compliant.

Auditor

Insofar as the Trustees are aware:

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

Trustees' Annual Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2021 and signed on its behalf by:



.....
N Greenfield
Trustee

Edukos Trust

Governance Statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Edukos 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 C Huscroft, 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 Edukos 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' Annual Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Breene	2	3
N Greenfield, Chair	2	3
C Huscroft, Chief Executive Officer (CEO)	3	3
S Lyon	3	3
E Macdonald	2	3
S Myers (appointed 2 July 2021)	1	1
N Robinson	3	3
J Sutherland	3	3
C Wilson	3	3

Governance reviews

Owing to the new schools joining the trust, governance has been reviewed at Local Committee level and we have ensured that a cross representation of skills are on these committees. We continue to review the skills at trustee level and have good representation of skills, knowledge and experience. We are looking to further strengthen this by the addition of new members to the board.

The Trust is applying to receive money through the Trust Capacity Fund (TCaF) which will include a review of governance. If successful the review will be completed before the end of March 2022.

There have been no significant changes in the board's composition other than the resignation of one member and therefore the appointment of a replacement member for this vacancy.

The board's responsibilities are clearly set out in the Trust's Scheme of Delegation. They oversee the sub-committees and receive the minutes from their meetings which provides them with clear oversight of the committees' work.

Challenges this year have been around educational data which would have existed, pre-pandemic, to give assurances to the board on the Quality of Education in our schools. As this was not available owing to no formal assessments taking place, the board regularly met with head teachers who provided additional assurance in the absence of this data – they are therefore minded that this is acceptable for the purposes of scrutiny.

Edukos Trust

Governance Statement (continued)

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure that stringent financial measures are in place for both academies and that these are followed carefully by all who have delegated responsibility. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
C Huscroft	3	3
E Macdonald	2	3
N Greenfield	3	3
N Robinson	1	3
S Breene	1	1

Effective oversight of funds

Effective oversight of funds has been maintained by issuing monthly management accounts to all trustees allowing them to raise queries where applicable.

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 trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Trust Clerk and PA to the CEO has driven improved efficiencies across the Trust. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- appointment of central services staff to key positions. In particular the appointment of a Chief Finance Officer continues to allow for a more strategic oversight of how trust finances are spent. The Trust's SEND leader provides support and cover for staff whilst on maternity negating the need to 'employ' someone to cover this role.
- sharing staff costs across the schools in order that duplication of roles is mitigated and therefore making savings to both schools;
- Allowing new schools joining the trust to access contracts/resources that currently are in place avoiding set up fees and also benefitting from economies of scale.

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 ongoing 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 Edukos Trust for the year ended 31 August 2021 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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

Edukos Trust

Governance Statement (continued)

- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to appoint Phoenix Accountancy and Business Consultancy Limited as internal auditor, with effect from 01 September 2020

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a periodic basis, covering at least 4 areas a year, the reviewer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

The reviewer has delivered the planned reviews in the following areas:

- a review of banking controls
- a review of procurement controls
- a review of controls surrounding payroll
- a review of high level controls

There were no material control or other issues reported by the Internal Reviewer to date.

Review of effectiveness

As Accounting Officer, C Huscroft 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 external and internal auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on its behalf by:



.....
N Greenfield
Trustee



.....
C Huscroft
Accounting Officer
Trustee

Edukos Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Edukos Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



.....
C Huscroft
Accounting Officer

6 December 2021

Edukos Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 6 December 2021 and signed on its behalf by:



.....
N Greenfield
Trustee

Edukos Trust

Independent Auditor's Report on the Financial Statements to the Members of Edukos Trust

Opinion

We have audited the financial statements of Edukos Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities for the year ended 31 August 2021 (including Income and Expenditure Account), Balance Sheet as at 31 August 2021, Statement of Cash Flows for the year ended 31 August 2021, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Edukos Trust

Independent Auditor's Report on the Financial Statements to the Members of Edukos Trust (continued)

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' Annual Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' 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 Strategic Report and Directors' Report.

We have nothing to report in respect of the following matters where 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 13], the Trustees (who are also directors of the Academy Trust for the purpose 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'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 or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2020 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

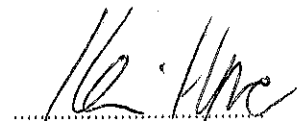
Edukos Trust

Independent Auditor's Report on the Financial Statements to the Members of Edukos Trust (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of report

This report is made solely to the Academy'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's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and the Academy Trust's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Hopper BFP FCA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

26 South St Mary's Gate
Grimsby
N E Lincs
DN31 1LW

6 December 2021

Edukos Trust

Independent Reporting Accountant's Assurance Report on Regularity to Edukos Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 20 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Edukos Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Edukos Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Edukos Trust and the 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 Edukos Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The Accounting Officer is responsible, under the requirements of the Edukos Trust's funding agreement with the Secretary of State for Education dated 30 August 2013 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

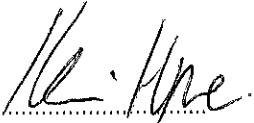
- Evaluating the systems and control environment;
- Assessing the risk of irregularity, impropriety and non-compliance;
- Ensuring that all the activities of the Academy Trust are in keeping with the academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel.

Edukos Trust

Independent Reporting Accountant's Assurance Report on Regularity to Edukos Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Kevin Hopper BFP FCA (Reporting Accountant)
For and on behalf of Forrester Boyd, Chartered Accountants

26 South St Mary's Gate
Grimsby
N E Lincs
DN31 1LW

6 December 2021

Edukos Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	23,892	-	421,165	445,057	79,325
Other trading activities	60,041	2,450	-	62,491	105,743
Investments	213	-	-	213	1,687
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	83,636	4,050,461	-	4,134,097	3,844,678
Total	167,782	4,052,911	421,165	4,641,858	4,031,433
Expenditure on:					
Raising funds	33,726	-	-	33,726	46,563
<i>Charitable activities:</i>					
Academy trust educational operations	111,209	4,412,639	466,995	4,990,843	4,406,223
Total	144,935	4,412,639	466,995	5,024,569	4,452,786
Net income/(expenditure)	22,847	(359,728)	(45,830)	(382,711)	(421,353)
Transfers between funds	-	(50,513)	50,513	-	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	-	(741,000)	-	(741,000)	(220,000)
Net movement in funds/(deficit)	22,847	(1,151,241)	4,683	(1,123,711)	(641,353)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020	62,178	(1,785,775)	7,741,571	6,017,974	6,659,327
Total funds/(deficit) carried forward at 31 August 2021	85,025	(2,937,016)	7,746,254	4,894,263	6,017,974

Comparative figures are stated on page 20.

Edukos Trust

Statement of Financial Activities for the Year Ended 31 August 2020
(including Income and Expenditure Account)

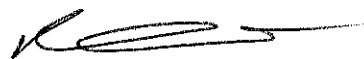
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	53,965	-	25,360	79,325
Other trading activities	4	60,987	44,756	-	105,743
Investments	5	1,687	-	-	1,687
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	<u>74,457</u>	<u>3,770,221</u>	<u>-</u>	<u>3,844,678</u>
Total		<u>191,096</u>	<u>3,814,977</u>	<u>25,360</u>	<u>4,031,433</u>
Expenditure on:					
Raising funds	6	46,563	-	-	46,563
<i>Charitable activities:</i>					
Academy trust educational operations	7	<u>229,255</u>	<u>3,996,988</u>	<u>179,980</u>	<u>4,406,223</u>
Total		<u>275,818</u>	<u>3,996,988</u>	<u>179,980</u>	<u>4,452,786</u>
Net expenditure		(84,722)	(182,011)	(154,620)	(421,353)
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	23	<u>-</u>	<u>(220,000)</u>	<u>-</u>	<u>(220,000)</u>
Net movement in deficit		(84,722)	(402,011)	(154,620)	(641,353)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		<u>146,900</u>	<u>(1,383,764)</u>	<u>7,896,191</u>	<u>6,659,327</u>
Total funds/(deficit) carried forward at 31 August 2020		<u>62,178</u>	<u>(1,785,775)</u>	<u>7,741,571</u>	<u>6,017,974</u>

Edukos Trust

(Registration number: 07679051)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	7,659,929	7,701,307
Current assets			
Debtors	13	158,691	71,987
Cash at bank and in hand		<u>778,898</u>	<u>745,897</u>
		937,589	817,884
Creditors: Amounts falling due within one year	14	<u>(381,255)</u>	<u>(281,217)</u>
Net current assets		<u>556,334</u>	<u>536,667</u>
Total assets less current liabilities		<u>8,216,263</u>	<u>8,237,974</u>
Net assets excluding pension liability		8,216,263	8,237,974
Pension scheme liability	23	<u>(3,322,000)</u>	<u>(2,220,000)</u>
Net assets including pension liability		<u><u>4,894,263</u></u>	<u><u>6,017,974</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		384,984	434,225
Restricted fixed asset fund		7,746,254	7,741,571
Restricted pension fund		<u>(3,322,000)</u>	<u>(2,220,000)</u>
		4,809,238	5,955,796
Unrestricted funds			
Unrestricted general fund		<u>85,025</u>	<u>62,178</u>
Total funds	15	<u><u>4,894,263</u></u>	<u><u>6,017,974</u></u>

The financial statements on pages 19 to 42 were approved by the Trustees, and authorised for issue on 6 December 2021 and signed on their behalf by:



.....
N Greenfield
Trustee

Edukos Trust

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(237,156)	120,010
Cash flows from investing activities	19	<u>270,157</u>	<u>2,156</u>
Change in cash and cash equivalents in the year		33,001	122,166
Cash and cash equivalents at 1 September		<u>745,897</u>	<u>623,731</u>
Cash and cash equivalents at 31 August	20	<u><u>778,898</u></u>	<u><u>745,897</u></u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

General information

The academy trust is a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

Edukos Trust
c/o Swanland Primary School
Tranby Lane
Swanland
East Riding of Yorkshire
HU14 3NE

These financial statements were authorised for issue by the Board on 6 December 2021.

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Edukos Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

The financial statements cover the individual entity, Edukos Trust, made up of Swanland Primary School, Dunswell Primary School, Airymn Park Primary School and Hook Church of England Primary School.

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

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.

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

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 period is deducted from income and recognised as a liability.

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

Donations

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

Other income

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

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

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

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

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

Asset class	Depreciation method and rate
Leasehold buildings	50 years straight line
Leasehold land	125 years straight line
Fixtures, fittings and equipment	4 years straight line
ICT equipment	4 years straight line

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.

Leased assets

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

Long term leasehold land:

The land is held on a 125 year lease with East Riding of Yorkshire Council. It was recognised as an asset on conversion and is being depreciated accordingly.

Taxation

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

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

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

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

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 based on 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund accounting

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

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at transaction price less any provision for impairment. 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 transaction price. 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.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Educational trips and visits	15,878	-	15,878	28,540
Capital grants	-	421,165	421,165	25,360
Other donations	8,014	-	8,014	25,425
	<u>23,892</u>	<u>421,165</u>	<u>445,057</u>	<u>79,325</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for Academy's educational operations

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants				
General Annual Grant	-	3,285,940	3,285,940	3,100,451
Pupil Premium Funding	-	101,244	101,244	91,360
Free School Meals	-	145,475	145,475	140,790
Other ESFA income	-	83,472	83,472	102,107
Teachers Pay & Pension Grant	-	151,870	151,870	151,269
	<u>-</u>	<u>3,768,001</u>	<u>3,768,001</u>	<u>3,585,977</u>
Other government grants				
Local Authority Funding	-	215,836	215,836	177,488
Non-government grants and other income				
Catering income	83,636	-	83,636	74,457
Other income	-	480	480	6,756
	<u>83,636</u>	<u>480</u>	<u>84,116</u>	<u>81,213</u>
Covid-19 additional funding (DfE/ESFA)				
Covid Catch Up Premium	-	65,760	65,760	-
Emergency Covid Support	-	384	384	-
	<u>-</u>	<u>66,144</u>	<u>66,144</u>	<u>-</u>
Total grants	<u>83,636</u>	<u>4,050,461</u>	<u>4,134,097</u>	<u>3,844,678</u>

The academy received £65,760 (2020: £Nil) of funding for Covid catch-up premium and costs incurred in respect of this funding totalled £65,760 (2020: £Nil).

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for Teachers Pay and Pension Grant is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	4,656	-	4,656	7,015
Catering income	1,099	-	1,099	1,319
School shop sales	-	-	-	1,109
Recharges and reimbursements	-	2,450	2,450	44,756
Other income	54,286	-	54,286	51,544
	<u>60,041</u>	<u>2,450</u>	<u>62,491</u>	<u>105,743</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

5 Investment income

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Short term deposits	213	213	1,687

6 Resources expended

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Expenditure on raising funds					
Direct costs	-	-	33,726	33,726	46,563
Academy's educational operations					
Direct costs	3,021,551	-	90,201	3,111,752	2,942,826
Allocated support costs	853,600	739,465	286,026	1,879,091	1,463,397
	3,875,151	739,465	409,953	5,024,569	4,452,786

Net income/(expenditure) for the year includes:

	2020/21 £	2019/20 £
Fees payable to auditor - audit	8,425	8,425
Fees payable to auditor - other services	760	4,152
Depreciation	192,599	179,980
Operating leases	14,228	17,028

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

7 Charitable activities

	2020/21 £	2019/20 £
Direct costs - educational operations	3,111,752	2,942,826
Support costs - educational operations	<u>1,879,091</u>	<u>1,463,397</u>
	<u>4,990,843</u>	<u>4,406,223</u>
	Educational operations £	2020/21 Total £
	£	£
Analysis of support costs		
Support staff costs	853,600	767,108
Depreciation	192,600	179,980
Technology costs	66,011	67,986
Premises costs	546,865	226,339
Other support costs	210,990	211,884
Governance costs	<u>9,025</u>	<u>10,100</u>
Total support costs	<u>1,879,091</u>	<u>1,463,397</u>

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	2,748,880	2,569,466
Social security costs	206,336	192,523
Pension costs	<u>891,169</u>	<u>836,193</u>
	3,846,385	3,598,182
Supply teacher costs	28,766	14,037
Staff restructuring costs	<u>-</u>	<u>5,806</u>
	<u>3,875,151</u>	<u>3,618,025</u>
	2021 £	2020 £
Staff restructuring costs comprise:		
Redundancy payments	<u>-</u>	<u>5,806</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	37	37
Administration and support	116	107
Management	8	8
	<u>161</u>	<u>152</u>

Higher paid staff

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

	2020/21 No	2019/20 No
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>-</u>

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 £534,309 (2020: £559,516).

9 Central services

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

- Finance and human resource activities

The academy trust charges for these services on the following basis:

Top slice based on income.

The actual amounts charged during the year were as follows:

	2021/20 £
Swanland	93,825
Dunswell	26,302
Airmyn	28,812
Hook	48,218
	<u>197,157</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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:

C Huscroft (CEO):

Remuneration: £90,000 - £95,000 (2020 - £85,000 - £90,000)

Employer's pension contributions: £20,000 - £25,000 (2020 - £20,000 - £25,000)

During the year ended 31 August 2021, travel and subsistence expenses totalling £76 (2020 - £10) were reimbursed or paid directly to 1 trustees (2020 - 1).

Other related party transactions involving the trustees are set out in note 24.

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy 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.

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Plant and equipment £	Total £
Cost				
At 1 September 2020	8,436,455	59,119	121,175	8,616,749
Additions	102,622	10,681	37,918	151,221
At 31 August 2021	<u>8,539,077</u>	<u>69,800</u>	<u>159,093</u>	<u>8,767,970</u>
Depreciation				
At 1 September 2020	787,970	29,660	97,812	915,442
Charge for the year	161,822	11,824	18,953	192,599
At 31 August 2021	<u>949,792</u>	<u>41,484</u>	<u>116,765</u>	<u>1,108,041</u>
Net book value				
At 31 August 2021	<u>7,589,285</u>	<u>28,316</u>	<u>42,328</u>	<u>7,659,929</u>
At 31 August 2020	<u>7,648,485</u>	<u>29,459</u>	<u>23,363</u>	<u>7,701,307</u>

Included within leasehold land and buildings is £7,589,285 (2020: £7,468,485) relating to long leasehold land and buildings.

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Debtors

	2021	2020
	£	£
Trade debtors	435	4,351
Prepayments	28,364	28,885
Accrued grant and other income	77,609	18,522
VAT recoverable	51,846	19,792
Other debtors	437	437
	158,691	71,987

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	90,311	59,599
Other taxation and social security	52,291	45,434
Pension scheme creditor	66,172	59,996
Accruals	115,467	45,294
Deferred income	57,014	70,894
	381,255	281,217
	2021	2020
	£	£
Deferred income		
Deferred income at 1 September 2020	70,894	42,334
Resources deferred in the period	18,571	70,894
Amounts released from previous periods	(32,451)	(42,334)
Deferred income at 31 August 2021	57,014	70,894

At the balance sheet date the Academy Trust was holding funds received in advance, this included a DfE start up grant, school meals and school trips.

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	276,812	3,285,940	(3,127,255)	(50,513)	384,984
Pupil Premium	16,623	101,644	(118,267)	-	-
Free School Meals	140,790	145,475	(286,265)	-	-
Local Authority Funding	-	215,436	(215,436)	-	-
Other ESFA grants	-	83,856	(83,856)	-	-
Other income	-	2,930	(2,930)	-	-
Teachers Pay & Pension Grant	-	151,870	(151,870)	-	-
Covid Catch Up Premium	-	65,760	(65,760)	-	-
	<u>434,225</u>	<u>4,052,911</u>	<u>(4,051,639)</u>	<u>(50,513)</u>	<u>384,984</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grants	144,552	421,165	(305,173)	-	260,544
Transfer on Conversion	7,506,946	-	(161,822)	-	7,345,124
Transfer from Other Funds	90,073	-	-	50,513	140,586
	<u>7,741,571</u>	<u>421,165</u>	<u>(466,995)</u>	<u>50,513</u>	<u>7,746,254</u>
Restricted pension funds					
Pension Reserve	<u>(2,220,000)</u>	-	<u>(361,000)</u>	<u>(741,000)</u>	<u>(3,322,000)</u>
Total restricted funds	5,955,796	4,474,076	(4,879,634)	(741,000)	4,809,238
Unrestricted funds					
Unrestricted general funds	<u>62,178</u>	<u>167,782</u>	<u>(144,935)</u>	-	<u>85,025</u>
Total funds	<u><u>6,017,974</u></u>	<u><u>4,641,858</u></u>	<u><u>(5,024,569)</u></u>	<u><u>(741,000)</u></u>	<u><u>4,894,263</u></u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	141,320	3,100,451	(2,964,959)	-	276,812
Pupil Premium	14,606	91,360	(89,343)	-	16,623
Free School Meals	133,310	140,790	(133,310)	-	140,790
Local Authority Funding	-	177,488	(177,488)	-	-
Other ESFA grants	-	102,107	(102,107)	-	-
Other income	-	51,512	(51,512)	-	-
Teachers Pay & Pension Grant	-	151,269	(151,269)	-	-
	<u>289,236</u>	<u>3,814,977</u>	<u>(3,669,988)</u>	-	<u>434,225</u>
Restricted fixed asset funds					
DfE/ESFA Capital Grants	131,187	25,360	(11,995)	-	144,552
Transfer on Conversion	7,667,228	-	(160,282)	-	7,506,946
Transfer from Other Funds	95,852	-	(5,779)	-	90,073
Capital donation	1,924	-	(1,924)	-	-
	<u>7,896,191</u>	<u>25,360</u>	<u>(179,980)</u>	-	<u>7,741,571</u>
Restricted pension funds					
Pension Reserve	<u>(1,673,000)</u>	-	<u>(327,000)</u>	<u>(220,000)</u>	<u>(2,220,000)</u>
Total restricted funds	6,512,427	3,840,337	(4,176,968)	(220,000)	5,955,796
Unrestricted funds					
Unrestricted general funds	<u>146,900</u>	<u>191,096</u>	<u>(275,818)</u>	-	<u>62,178</u>
Total funds	<u><u>6,659,327</u></u>	<u><u>4,031,433</u></u>	<u><u>(4,452,786)</u></u>	<u><u>(220,000)</u></u>	<u><u>6,017,974</u></u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy.

Pupil Premium Funding must be spent for the educational benefit of pupils registered at that school, or for the benefit of pupils registered at other schools; and on community facilities i.e. services whose provision furthers any charitable purpose for the benefit of pupils at the school or their families, or people who live or work in the locality in which the school is situated. The grant does not have to be fully spent by the academy in the financial year.

Universal Infants Free School Meal funding is primarily to be used to provide children with a free school meal. However, any amounts not spent on this purpose can be used for any other purpose applicable to the objectives of the academy.

Devolved capital is allocated directly by the DfE and must be spent on capital purposes.

Capital expenditure from other funds is made up of any fixed assets purchased during the year and the expense is the depreciation relating to these additions.

The donated assets income is the value of the land and buildings transferred from the Local Authority on conversion.

The academy trust is not subject to GAG carried forward limits.

Analysis of academies by fund balance

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Swanland	175,414	174,524
Dunswell	81,455	61,537
Hook	215,312	224,018
Airmyn	64,784	65,946
Central services	(66,956)	(29,622)
Total before fixed assets and pension reserve	470,009	496,403
DfE/ESFA Capital Grants	7,746,254	7,741,571
Pension Reserve	(3,322,000)	(2,220,000)
Total	<u>4,894,263</u>	<u>6,017,974</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

15 Funds (continued)

Analysis of academies by cost

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 2021 £	Total 2020 £
Swanland	1,499,827	310,806	23,000	277,178	2,110,811	2,034,764
Dunswell	388,944	31,072	8,293	43,232	471,541	508,444
Hook	439,073	61,125	10,625	88,679	599,502	673,098
Airmyn	693,707	130,597	21,080	382,177	1,227,561	983,479
Central services	-	-	-	61,555	61,555	73,021
Academy Trust	<u>3,021,551</u>	<u>533,600</u>	<u>62,998</u>	<u>852,821</u>	<u>4,470,970</u>	<u>4,272,806</u>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Swanland	1,349,988	428,910	25,365	230,501	2,034,764
Dunswell	381,147	68,177	7,025	52,095	508,444
Hook	453,688	88,329	11,989	119,092	673,098
Airmyn	627,348	220,438	8,361	127,332	983,479
Central services	-	-	-	73,021	73,021
Academy Trust	<u>2,812,171</u>	<u>805,854</u>	<u>52,740</u>	<u>602,041</u>	<u>4,272,806</u>

16 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	7,659,929	7,659,929
Current assets	85,025	766,239	86,325	937,589
Current liabilities	-	(381,255)	-	(381,255)
Pension scheme liability	-	(3,322,000)	-	(3,322,000)
Total net assets	<u>85,025</u>	<u>(2,937,016)</u>	<u>7,746,254</u>	<u>4,894,263</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Analysis of net assets between funds (continued)

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	7,701,307	7,701,307
Current assets	62,178	715,442	40,264	817,884
Current liabilities	-	(281,217)	-	(281,217)
Pension scheme liability	-	(2,220,000)	-	(2,220,000)
Total net assets	<u>62,178</u>	<u>(1,785,775)</u>	<u>7,741,571</u>	<u>6,017,974</u>

17 Financial commitments

Operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £	2020 £
Amounts due within one year	17,468	15,339
Amounts due between one and five years	24,807	14,228
	<u>42,275</u>	<u>29,567</u>

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2020/21 £	2019/20 £
Net expenditure	(382,711)	(421,353)
Depreciation	192,599	179,980
Capital grants from DfE and other capital income	(421,165)	(25,360)
Interest receivable	(213)	(1,687)
Defined benefit pension scheme cost less contributions payable	320,000	292,000
Defined benefit pension scheme finance cost	41,000	35,000
Increase in debtors	(86,704)	(1,785)
Increase in creditors	100,038	63,215
Net cash (used in)/provided by Operating Activities	<u>(237,156)</u>	<u>120,010</u>

19 Cash flows from investing activities

	2020/21 £	2019/20 £
Dividends, interest and rents from investments	213	1,687
Purchase of tangible fixed assets	(151,221)	(24,891)
Capital grants from DfE Group	421,165	25,360
Net cash provided by investing activities	<u>270,157</u>	<u>2,156</u>

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

20 Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	778,898	745,897
Total cash and cash equivalents	778,898	745,897

21 Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash	745,897	33,001	778,898
	-	-	-
Total	745,897	33,001	778,898

22 Members' liability

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

23 Pension and similar obligations

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

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

Contributions amounting to £66,172 (2020 - £59,996) were payable to the schemes at 31 August and are included within creditors.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both the member and the 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.

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (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 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 dependant on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving 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 in 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 period amounted to £187,431 (2020: £146,195).

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

Under the definitions set out in Financial Reporting Standard 102 (FRS 102), the TPS is a 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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £285,000 (2020 - £259,000), of which employer's contributions totalled £218,000 (2020 - £199,000) and employees' contributions totalled £67,000 (2020 - £60,000). The agreed contribution rates for future years are between 17.2 and 18.8 per cent for employers and 5-7 per cent for employees.

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

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.80	3.10
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.70	1.70

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

	2021	2020
Retiring today		
Males retiring today	21.00	20.90
Females retiring today	23.70	23.30
Retiring in 20 years		
Males retiring in 20 years	22.20	21.80
Females retiring in 20 years	25.50	24.80

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2021 £	At 31 August 2020 £
0.1% decrease in Real Discount Rate	181,000	133,000
0.1% increase in the Salary Increase Rate	17,000	27,000
Mortality assumption – 1 year increase	280,000	168,000
0.1% increase in the Pension Increase Rate	<u>162,000</u>	<u>115,000</u>

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

	2021 £	2020 £
Equities	2,547,000	1,905,000
Other bonds	664,000	463,000
Property	406,000	346,000
Cash and other liquid assets	<u>74,000</u>	<u>174,000</u>
Total market value of assets	<u>3,691,000</u>	<u>2,888,000</u>

The actual return on scheme assets was £535,000 (2020 - £5,000).

Edukos Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2021	2020
	£	£
Current service cost	538,000	491,000
Interest income	(51,000)	(52,000)
Interest cost	92,000	87,000
	<u>579,000</u>	<u>526,000</u>

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

	2020/21	2019/20
	£	£
At start of period	5,108,000	4,316,000
Current service cost	538,000	491,000
Interest cost	92,000	87,000
Employee contributions	67,000	60,000
Actuarial (gain)/loss	1,225,000	173,000
Benefits paid	(17,000)	(19,000)
	<u>7,013,000</u>	<u>5,108,000</u>

Changes in the fair value of academy's share of scheme assets:

	2020/21	2019/20
	£	£
At start of period	2,888,000	2,643,000
Interest income	51,000	52,000
Actuarial gain/(loss)	484,000	(47,000)
Employer contributions	218,000	199,000
Employee contributions	67,000	60,000
Benefits paid	(17,000)	(19,000)
	<u>3,691,000</u>	<u>2,888,000</u>

24 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.

There were no related party transactions in the year, other than those already disclosed in note 12.