



CORVUS EDUCATION TRUST

(A company limited by guarantee)

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of Trustees' responsibilities	17
Independent auditors' report on the financial statements	18 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities incorporating income and expenditure account	23 - 24
Balance sheet	25 - 26
Statement of cash flows	27
Notes to the financial statements	28 - 56

CORVUS EDUCATION TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	M Marshall (resigned 8 July 2019) R Margand M Elston E Purnell (resigned 30 November 2018) P Uglow D Jessup (appointed 8 July 2019)
Trustees	M Marshall, Chair to 8 July 2019 (resigned 8 July 2019) A Lightbown A Randall C Nichols D Jessup, Chair from 8 July 2019 M Spooner (resigned 9 December 2018) J Adams (appointed 9 December 2019)
Company registered number	10523505
Company name	Corvus Education Trust
Principal and registered office	Manor Field Infant & Nursery School Manor Road Long Stratton Norfolk NR15 2XR
Chief Executive Officer	A Lightbown
Executive Team	A Lightbown, Chief Executive Officer H Kemp, Headteacher - Watton Westfield Infant and Nursery School S Holmes, Head of School - Manor Field Infant and Nursery School D Bainbridge, Acting Headteacher from 6 May 2019 - Manor Field Infant and Nursery School L Turk, Lead Teacher - Aslacton Primary School J Raine, Trust Business Manager
Independent auditors	MA Partners Audit LLP Chartered Accountants and Statutory Auditor 7 The Close Norwich Norfolk NR1 4DJ
Bankers	Lloyds Bank Plc 16 Gentleman's Walk Norwich Norfolk NR2 1LZ

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Solicitors	Spire Solicitors LLP Holland Court The Close Norwich Norfolk NR1 4DY
-------------------	---

CORVUS EDUCATION TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the consolidated financial statements and auditor's report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the Trust.

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

The charitable company is known as Corvus Education Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

The Trust has opted in to 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, error or omissions occurring whilst on Trust business, and provides cover up to £10,000,000.

d. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

The Members may appoint by ordinary resolution up to 6 Trustees.

The total number of Trustees, including the Chief Executive if they so choose to act as Trustee, who are employees of the Trust shall not exceed one third of the total number of Trustees.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The training and induction provided for any new Trustee will depend on their previous experience. All Trustees are provided with previous minutes and face to face inductions with the Company Secretary / Business Manager and are provided copies of documents that they will need to undertake their role as Trustees. No new Trustees were appointed during the financial year.

All prospective Trustees complete a skills matrix. New and current Trustees undertake a regular and ongoing programme of continuous professional development linked to their areas of particular interest within the Trust.

f. Organisational structure

The organisational structure consists of four levels: the Trustees, the Executive Team, the Member School Local Governing Body and the Member School Leadership Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at the individual school level.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, setting vision, strategy, direction and culture for the Trust, and performance management of the Chief Executive Officer (CEO). This is firmly centred on the objective to improve life chances for every child within the Corvus Education Trust.

The Executive Team are responsible for implementation of strategy and delivery against the annual plan and budget. To ensure all schools in the Trust are delivering improving school standards at a rate agreed by the Trust Board.

The School Local Governing Body and School Leadership Teams are delegated authority to govern / manage each school implementing the policies adopted by Trust and Local Governing Body. Some spending control is devolved to members of the School Leadership Team, with various finance limits set requiring various different levels of counter signatures.

The School Leadership Teams are responsible for the day to day operation of the school, in particular organising the teaching staff, facilities and students. This structure empowers staff at all levels to take responsibility to improve and review their working practice.

g. Arrangements for setting pay and remuneration of key management personnel

The remuneration of the Chief Executive Officer is agreed by all Trustees (other than the CEO). The remuneration for other key management is awarded by the CEO within the Trust framework for support staff and the budgets set by the Trustees.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	-

Percentage of time spent on facility time

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

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

Total cost of facility time	-
Total pay bill	2,076,505
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
---	---	---

i. Related parties and other connected charities and organisations

The Trust works closely with the existing education clusters, attending the regular cluster governance meetings.

Trustees retain a register of interest and declare any interest in items at the beginning of any meeting.

The Trust has a wholly owned subsidiary, Corvus Commercial Services Limited, which remained dormant during the year.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Objectives and activities

a. Objects and aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full time or part time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies").

b. Objectives, strategies and activities

During the current year, the principal activity of the charitable company was the operation of 2 infant schools and 1 primary school in Norfolk. The schools vary in size from single form entry to 3 form entry.

Trustees believe that growing the Trust within the next two years will enhance the sustainability of Corvus Education Trust. Growth will result in further financial resilience and proportionate reductions in risk.

The Trust is looking to open a new 2-year-old nursery in the children's centre building when this is vacated on 30 September 2019.

It is a longer term aim of the Trust to provide increased educational opportunities for non neural typical children by the provision of a specialist school environment and the Trust has put in a bid to be considered for operating a new 16 place SRB unit in Watton, drawing on its experience of running a successful SRB base at Manor Field in Long Stratton.

The Trust's children remain central to all our endeavours. We will judge everything that takes place in our schools according to its impact on the children. Decisions will be made in accordance with the prime directive that the Trust is a place of learning for the whole school community.

Each school produces a School Improvement and Development Plan on an annual basis where it details how it intends to achieve the aims and objectives for the year.

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

The policy of the Trust is to be as inclusive as possible to ensure that all children receive a good education. It does this by adapting the physical environment and by making support resources available so that no child is left out.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

c. Public benefit

The Trustees confirm that they have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit on advancing education. Trustees have reviewed the aims and objectives in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Corvus Education Trust is a multi academy trust catering for children aged 3 to 11 and strives to promote and support the advancement of education within a local context. The schools provide an extensive programme of educational and recreational activity all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport.

Wherever possible each school also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities.

The Trustees believe that the Trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

Strategic report

Achievements and performance

a. Educational performance

No Ofsted inspections have been held this period.

Aslacton Primary School Results for 2018-19

EYFS

Good Level of Development (GLD)

87.5% of pupils achieved a Good Level of Development. The national figure is 71%.

Percentage of Children who made expected progress or better

Writing	100%
Reading	100%
Number	100%

Phonics results

In Year 1, 100% of pupils achieved the expected standard in phonics which is higher than the national average of 82%.

In Year 2, 100% of the pupils who had not achieved the standard in Year 1, did achieve the expected standard in phonics.

End of Key Stage 1 results 2018-19

Number of pupils: 11

Each child represents: 9.1%

In Reading, Writing and Maths combined 45% achieved the 'expected' standard which is lower than the national of 65%.

The school has attended statutory moderation and all results have been ratified.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

End of Key Stage 2 results 2018-19

Number of pupils: 11

Each child represents: 9.1%

55% of pupils achieved 'expected' which is above this year's national result which was 51%.

Manor Field Infant and Nursery School Results 2018-19

EYFS

Good Level of Development (GLD)

67% of pupils achieved a Good Level of Development. The national figure is 71%.

Percentage of Children who made expected progress or better

Writing 83%

Reading 96%

Number 92%

Phonics results

In Year 1, 77% of pupils achieved the expected standard in phonics which is lower than the national average of 82%.

In Year 2, 86.7% of pupils who had not achieved the standard in Year 1, achieved the expected standard in phonics.

In Reading, Writing and Maths combined 70% achieved the 'expected' standard which is lower than the national of 65%.

Watton Westfield School Results 2018 19

EYFS

Good Level of Development (GLD)

76% of pupils achieved a Good Level of Development. The national figure is 71%.

Phonics results

In Year 1, 73% of pupils achieved the expected standard in phonics which is lower than the national average of 82%.

In Year 2, 30.4% of pupils who had not achieved the standard in Year 1, achieved the expected standard in phonics.

End of Key Stage 1 results 2018 19

Number of pupils: 69

Each child represents: 1.44%

	School expected or above	National expected or above
Maths	59%	76%
Reading	61%	75%
Writing	48%	69%

In Reading, Writing and Maths combined 47.8% achieved the 'expected' standard which is lower than the national of 65%.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

b. Key performance indicators

The Trustees also consider that the following are key performance indicators for the Trust:

- Pupil numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level)
- General financial stability - aim for income to match expenditure each year
- Percentage of income received from ESFA spent on total staff costs
- Staff vacancies
- Introduction of specialist teachers
- Ofsted inspection results
- Capital expenditure per pupil
- Active involvement in partnership of schools and Corvus Education Trust
- Achievement of schools against the SDIP objectives

c. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason 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 Accounting Policies.

Financial review

a. Financial review

Most of the Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes.

Excluding the pension liability of £1,806,000 (2018: £1,121,000), the Trust's total funds at the end of the period were £7,487,876 (2018: £7,488,197). Funds of £6,992,928 (2018: £7,034,690) were held in the restricted fixed asset fund. Restricted reserves available to the Trust, excluding any LGPS liability, were £323,463 (2018: £349,212). Free reserves at the Balance Sheet date were £171,485 (2018: £104,295).

At 31 August 2019, the net book value of fixed assets was £6,949,382 (2018: £7,034,690). During the year, the assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Financial review (continued)

b. Reserves policy

Corvus Education Trust has established its reserves policy to protect its activities by providing financial buffers against an unpredictable environment and to make sufficient provision for future cash flow requirements and capital procurement. The policy also provides the framework for future strategic planning and decision making. The development of an effective reserves policy will restrict the impact of any risk upon the continuing operations of Corvus Education Trust.

This policy and the establishment of reserve targets should be based upon an annual risk assessment of the internal and external operating environment.

The Trust is working towards each school holding reserves of 5% GAG income.

	5% GAG	Reserves at 31 August 2019
Manor Field Infant and Nursery School	37,229	48,568
Watton Westfield Infant and Nursery School	43,902	100,895
Aslacton Primary School	15,213	131,398

c. Material investments policy

The Trust seeks to maximise returns from investments, minimise risk and maintain flexibility and access to funds.

d. Principal risks and uncertainties

The main risks that the Trust is exposed to are summarised below. For each of these risks the likelihood and impact have been considered together with appropriate action and management plans:

Operational and reputational - this covers risks to the running of the Trust (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - covering risks to the Trust's financial position, including revenue streams, cost control and cash management.

The risks to which the Trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

The current portfolio of schools have the following Ofsted judgments:

Aslacton Primary School	– Good
Manor Field Infant & Nursery School	– Good
Watton Westfield Infant School	– N/A (was Special Measures)

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Fundraising

The Trust takes a light touch to fundraising as the Trust's schools are located in the main in areas of deprivation.

The schools do have Friends / PTA organisations that raise money through activities such as bake sales, non uniform days etc. but those organisations choose how the money that they have raised will be spent in conjunction with the Lead of each school.

The Trust does not have any plans to raise significant monies via any Trust wide fundraising activity.

Plans for future periods

The Trust is actively looking to expand the number of schools in its portfolio and will be holding further talks with various potential schools in the future. The local authority development plan for Watton would require that Watton Westfield expands its age range from a 3-7 infant school to become a 3-11 primary school and the Trust is putting plans in place to accommodate this transition.

Funds held as custodian on behalf of others

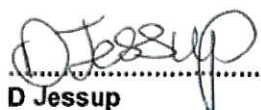
The Trust does not currently hold any funds on behalf of others.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 10 December 2019 and signed on its behalf by:


.....
D Jessup
Chair of Trustees

CORVUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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 Corvus Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 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
M Marshall (resigned 8 July 2019)	5	6
A Lightbown	6	6
A Randall	5	6
C Nichols	5	6
D Jessup, Chair from 8 July 2019	6	6
M Spooner (resigned 9 December 2018)	1	1

Trustees conduct a continual review of governance across the Trust, both at Trustee and Local Governing Body level. Schemes of delegation for all schools were reviewed and signed off when the Trust came into being in March 2017 and have been reviewed and modified in November 2018 in light of actual Trust operation. These will be again reviewed at the beginning of the next and subsequent academic years.

The job description and roles and responsibilities of the CEO have been reviewed, modified and agreed in light of the actual operation of the Trust. These will be reviewed by the Trustees responsible for the CEO performance management as required.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Bulk purchasing across the Trust
- Whole trust training undertaken with information being cascaded down
- Working with other trusts to share best practice
- Purchasing longer term contracts
- Distributing roles across the Trust
- Maintaining an Asset Manager
- Use of benchmarking within the Trust
- Application for grants to support learning
- Obtaining at least three quotes for each specification
- Evaluation of all purchases to ensure the expected outcomes are achieved

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Corvus Education Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have instructed Educator Solutions, a local authority trading name, to perform additional assurance work in the accounting period.

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

- Review of procedures to reduce financial risk
- Review of management reports
- Review of asset management
- Review of payroll procedures
- Review of expenditure procedures
- Review of use of charge cards
- Review of income procedures
- Review of accounting systems

On an annual basis, the reviewer reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

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:

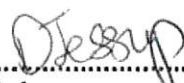
- the work of the reviewer;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the Board of Trustees on 10 December 2019 and signed on their behalf by:


.....
D Jessup
Chair of Trustees


.....
A Lightbown
Accounting Officer

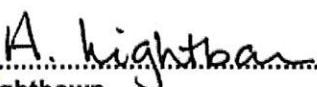
CORVUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Corvus Education Trust I have considered my responsibility to notify the 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 Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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


.....
A Lightbown
Accounting Officer
Date: 10 December 2019

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make 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 on 10 December 2019 and signed on its behalf by:


.....
D Jessup
Chair of Trustees

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the Financial Statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Responsibilities of Trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of

MA Partners Audit LLP

Chartered Accountants and Statutory Auditor

7 The Close

Norwich

Norfolk

NR1 4DJ

11 December 2019

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 25 October 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Corvus Education Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Corvus Education Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Corvus Education Trust's funding agreement with the Secretary of State for Education dated 13 December 2016 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

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

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefitted from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with *Annex C: Schedule of requirements (the "musts")* of the Academies Financial Handbook 2018.

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

Conclusion

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

MA Partners Audit LLP

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

Date: 11 December 2019

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	2,833	6,046	100,541	109,420	42,037
Charitable activities		39,920	2,710,538	-	2,750,458	2,900,804
Other trading activities		44,508	-	-	44,508	69,217
Investments	6	347	-	-	347	299
Total income		87,608	2,716,584	100,541	2,904,733	3,012,357
Expenditure on:						
Charitable activities		-	2,883,970	159,084	3,043,054	3,220,542
Total expenditure		-	2,883,970	159,084	3,043,054	3,220,542
Net income/(expenditure)		87,608	(167,386)	(58,543)	(138,321)	(208,185)
Transfers between funds	17	(20,418)	3,637	16,781	-	-
Net movement in funds before other recognised gains/(losses)		67,190	(163,749)	(41,762)	(138,321)	(208,185)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(547,000)	-	(547,000)	310,000
Net movement in funds		67,190	(710,749)	(41,762)	(685,321)	101,815

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Reconciliation of funds:					
Total funds brought forward	104,295	(771,788)	7,034,690	6,367,197	6,265,382
Net movement in funds	67,190	(710,749)	(41,762)	(685,321)	101,815
Total funds carried forward	<u>171,485</u>	<u>(1,482,537)</u>	<u>6,992,928</u>	<u>5,681,876</u>	<u>6,367,197</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.

CORVUS EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10523505

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	6,949,382	7,034,690
		<u>6,949,382</u>	<u>7,034,690</u>
Current assets			
Debtors	15	83,465	92,356
Cash at bank and in hand		745,366	605,041
		<u>828,831</u>	<u>697,397</u>
Creditors: amounts falling due within one year	16	(290,337)	(243,890)
Net current assets		<u>538,494</u>	<u>453,507</u>
Total assets less current liabilities		<u>7,487,876</u>	<u>7,488,197</u>
Net assets excluding pension liability		<u>7,487,876</u>	<u>7,488,197</u>
Defined benefit pension scheme liability	22	(1,806,000)	(1,121,000)
Total net assets		<u><u>5,681,876</u></u>	<u><u>6,367,197</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	17	6,992,928	7,034,690
Restricted income funds	17	323,463	349,212
		<u>7,316,391</u>	<u>7,383,902</u>
Restricted funds excluding pension asset	17	7,316,391	7,383,902
Pension reserve	17	(1,806,000)	(1,121,000)
Total restricted funds	17	<u>5,510,391</u>	<u>6,262,902</u>
Unrestricted income funds	17	<u>171,485</u>	<u>104,295</u>
Total funds		<u><u>5,681,876</u></u>	<u><u>6,367,197</u></u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 23 to 56 were approved by the Trustees, and authorised for issue on 10 December 2019 and are signed on their behalf, by:


.....
D Jessup
Chair of Trustees

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	124,613	75,283
Cash flows from investing activities	20	15,712	(15,301)
Change in cash and cash equivalents in the year		140,325	59,982
Cash and cash equivalents at the beginning of the year		605,041	545,059
Cash and cash equivalents at the end of the year	21	<u>745,366</u>	<u>605,041</u>

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

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

1.2 Going concern

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Taxation

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

Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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 £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold land	- 125 years straight line
Long-term leasehold buildings	- 2% straight line
Furniture and equipment	- 25% straight line
Computer equipment	- 33% straight line

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

The Trust is party to lease agreements with Norfolk County Council for the school property. The leases are for a period of 125 years and substantially all the risks and rewards of ownership have been transferred to the Trust for £nil rental. As such the school property was recognised as a fixed asset in the Balance Sheet at a fair value on conversion of £7,130,219. The fair values were based upon the values written out of Norfolk County Council's financial statements on conversion.

1.8 Debtors

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.12 Pensions

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

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

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

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

1.13 Agency arrangements

The Trust acts as an agent in distributing School Direct Salaried Initial Teacher Training funds from National College for Teaching and Leadership ("NCTL"). Payments received from NCTL and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 26.

1.14 Fund accounting

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

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.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	2,833	6,046	-	8,879	21,084
Capital Grants	-	-	100,541	100,541	20,953
Total 2019	2,833	6,046	100,541	109,420	42,037
<i>Total 2018</i>	<i>19,055</i>	<i>19,982</i>	<i>3,000</i>	<i>42,037</i>	

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

4. Funding for the Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants				
General Annual Grant	-	1,926,866	1,926,866	2,087,704
Universal Infant Free School Meals	-	123,697	123,697	132,194
Pupil Premium	-	81,160	81,160	80,670
PE and Sport Grant	-	51,000	51,000	51,310
Teachers' pay grant	-	18,042	18,042	-
Rates relief	-	4,688	4,688	17,380
Other ESFA grants	-	1,000	1,000	-
	-	2,206,453	2,206,453	2,369,258
Other government grants				
Children's Centre funding	-	206,969	206,969	219,703
Nursery funding	-	182,663	182,663	201,576
SRB funding	-	30,265	30,265	28,437
Cluster funding	-	54,917	54,917	22,733
LAC Pupil Premium	-	23,463	23,463	600
Cambridge Partnership	-	-	-	2,800
Moderation income	-	2,036	2,036	1,700
	-	500,313	500,313	477,549
Non-government grants				
Other grants	-	3,772	3,772	6,783
	-	3,772	3,772	6,783
Other income from the Trust's educational operations				
Extended schools income	26,232	-	26,232	28,966
Trip income	6,338	-	6,338	9,553
Catering income	7,350	-	7,350	8,695
	39,920	-	39,920	47,214
Total 2019	39,920	2,710,538	2,750,458	2,900,804
<i>Total 2018</i>	<i>47,214</i>	<i>2,853,590</i>	<i>2,900,804</i>	

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Lettings income	6,379	6,379	4,512
Insurance income	26,123	26,123	56,201
Miscellaneous income	4,441	4,441	1,611
Payments from other schools	1,173	1,173	2,278
Catering income from staff	1,771	1,771	1,300
Nursery sessional fees	4,621	4,621	3,315
Total 2019	<u>44,508</u>	<u>44,508</u>	<u>69,217</u>

In the prior year, all income from other trading activities was allocated to unrestricted funds.

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bank interest	<u>347</u>	<u>347</u>	<u>299</u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	<i>Total 2018 £</i>
Direct costs	1,940,227	-	124,045	2,064,272	2,192,011
Support costs	283,570	281,051	414,161	978,782	1,028,531
Total 2019	<u>2,223,797</u>	<u>281,051</u>	<u>538,206</u>	<u>3,043,054</u>	<u>3,220,542</u>
<i>Total 2018</i>	<u>2,390,868</u>	<u>286,876</u>	<u>542,798</u>	<u>3,220,542</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Educational operations	<u>2,064,272</u>	<u>978,782</u>	<u>3,043,054</u>	<u>3,220,542</u>
<i>Total 2018</i>	<u>2,192,011</u>	<u>1,028,531</u>	<u>3,220,542</u>	

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
Staff costs	1,896,563	2,008,117
Educational supplies	27,712	58,569
Educational professional fees	19,905	29,874
Staff development	18,431	22,144
Extended schools	17,297	3,156
School fund expenditure	789	8,067
Educational trips	12,910	13,990
Agency supply costs	43,664	48,094
Redundancy for Children's Centre	27,000	-
Total 2019	2,064,272	2,192,011

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
Pension interest	33,000	33,000
Staff costs	283,570	334,656
Depreciation	159,084	151,215
Technology costs	30,279	38,426
Maintenance of premises and equipment	97,049	100,453
Cleaning	12,806	13,022
Rates and water	14,493	15,381
Energy costs	38,686	40,004
Insurance costs	65,835	55,815
Travel	2,199	3,007
Catering	141,828	136,141
Admin costs	33,000	38,711
Governance costs	66,952	68,700
Total 2019	978,782	<i>1,028,531</i>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	<i>2018 £</i>
Operating lease rentals	2,282	2,513
Depreciation of tangible fixed assets	159,084	151,215
Fees paid to auditors for:		
- audit	8,750	10,000
- other services	4,900	5,114

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	1,666,761	1,743,534
Social security costs	120,497	123,651
Pension costs	392,875	453,802
	<u>2,180,133</u>	<u>2,320,987</u>
Agency staff costs	43,664	48,094
Staff restructuring costs	-	21,787
	<u><u>2,223,797</u></u>	<u><u>2,390,868</u></u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	21,787
	<u>-</u>	<u>21,787</u>

b. Staff numbers

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

	2019 No.	2018 No.
Management	5	5
Teachers	27	26
Admin and Support	70	81
	<u><u>102</u></u>	<u><u>112</u></u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

10. Staff costs (continued)

b. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019 No.	<i>2018</i> <i>No.</i>
Management	5	4
Teachers	21	24
Admin and support	39	41
	<u>65</u>	<u>69</u>

c. Higher paid staff

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

	2019 No.	<i>2018</i> <i>No.</i>
In the band £70,001 - £80,000	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Trust comprises 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 during the year for their services to the Trust was **£257,153** (2018: £302,002).

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

11. Central services

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

- Financial services support
- Human Resources
- Payroll services
- Legal services
- School improvement support

The Trust charges for these services on the following basis:

A flat percentage of GAG income - 12.475% (2018: 16%).

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Manor Field Infant and Nursery School	92,887	120,095
Watton Westfield Infant and Nursery School	109,534	158,469
Aslacton Primary School	37,956	55,469
Total	240,377	334,033

12. Trustees' remuneration and expenses

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

		2019 £	2018 £
A Lightbown (Trust Lead and Trustee)	Remuneration	75,000 - 80,000	75,000 - 80,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000

During the year ended 31 August 2019, expenses totalling £765 were reimbursed or paid directly to 1 Trustee (2018 - £NIL) for travel expenses.

13. Trustees' and Officers' insurance

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

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2018	7,130,219	71,425	57,651	7,259,295
Additions	-	71,186	2,590	73,776
At 31 August 2019	7,130,219	142,611	60,241	7,333,071
Depreciation				
At 1 September 2018	177,024	19,193	28,388	224,605
Charge for the year	118,017	21,911	19,156	159,084
At 31 August 2019	295,041	41,104	47,544	383,689
Net book value				
At 31 August 2019	6,835,178	101,507	12,697	6,949,382
At 31 August 2018	6,953,195	52,232	29,263	7,034,690

15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	54	-
VAT repayable	27,043	26,722
Prepayments and accrued income	56,368	65,634
	83,465	92,356

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	108,300	66,925
Other taxation and social security	29,613	27,409
Other creditors	34,684	35,778
Accruals and deferred income	117,740	113,778
	<u>290,337</u>	<u>243,890</u>
	2019 £	2018 £
Deferred income at 1 September 2018	94,361	97,710
Resources deferred during the year	91,784	94,361
Amounts released from previous periods	(94,361)	(97,710)
	<u>91,784</u>	<u>94,361</u>

At the balance sheet date the Trust was holding grant funding of £91,784 (2018: £94,361) received in advance.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General funds	104,295	87,608	-	(20,418)	-	171,485
Restricted general funds						
General Annual Grant (GAG)	214,965	1,926,866	(1,826,064)	(114,148)	-	201,619
Pupil Premium	100	81,160	(73,838)	-	-	7,422
Cluster funding	2,078	54,917	(60,372)	4,971	-	1,594
PE and Sports grant	22,625	51,000	(17,423)	(9,505)	-	46,697
Universal Infant Free School Meals	22,596	123,697	(132,815)	-	-	13,478
Teachers' pay grant	-	18,042	(18,042)	-	-	-
Nursery funding	48,183	182,663	(205,267)	(6,087)	-	19,492
Specialist Resource Base	-	30,265	(34,760)	4,495	-	-
Other restricted funds	1,000	12,854	(9,848)	(3,006)	-	1,000
Children's Centre	29,262	206,969	(197,064)	(18,555)	-	20,612
Rates relief	8,403	4,688	(8,317)	-	-	4,774
LAC Pupil Premium	-	23,463	(16,693)	5	-	6,775
CIF (revenue expenditure)	-	-	(6,467)	6,467	-	-
Pension reserve	(1,121,000)	-	(277,000)	139,000	(547,000)	(1,806,000)
	<u>(771,788)</u>	<u>2,716,584</u>	<u>(2,883,970)</u>	<u>3,637</u>	<u>(547,000)</u>	<u>(1,482,537)</u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted fixed asset funds						
Assets transferred on conversion	6,973,585	-	(131,408)	-	-	6,842,177
Early Years equipment	9,521	-	(4,483)	6,087	-	11,125
Assets Purchased from GAG	43,888	-	(18,700)	4,240	-	29,428
Assets Purchased from Children's Centre Funding	1,467	-	(587)	-	-	880
Assets Purchased from PE and Sports Grant	6,229	-	(2,219)	9,505	-	13,515
Devolved Formula Capital	-	43,546	-	-	-	43,546
Condition Improvement Fund	-	56,995	(1,061)	(6,056)	-	49,878
Assets purchased from other restricted funds	-	-	(626)	3,005	-	2,379
	<u>7,034,690</u>	<u>100,541</u>	<u>(159,084)</u>	<u>16,781</u>	<u>-</u>	<u>6,992,928</u>
Total Restricted funds	<u>6,262,902</u>	<u>2,817,125</u>	<u>(3,043,054)</u>	<u>20,418</u>	<u>(547,000)</u>	<u>5,510,391</u>
Total funds	<u><u>6,367,197</u></u>	<u><u>2,904,733</u></u>	<u><u>(3,043,054)</u></u>	<u><u>-</u></u>	<u><u>(547,000)</u></u>	<u><u>5,681,876</u></u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds (continued)

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

The General Annual Grant (GAG) is for the normal running costs of the schools within the Trust. The following transfers have been made from the GAG: £139,000 to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme, £4,240 for capital expenditure from the GAG fund and £5,386 to clear deficits arising on restricted funds. A transfer of £18,555 was made from Children's Centre funding for costs paid from GAG funds. A further transfer of £15,923 has then been made from unrestricted funds to clear the deficit arising on the GAG fund.

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

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

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

Funding was received from the ESFA to assist with the provision of Universal Infant Free School Meals.

Teachers' pay grant was received from the ESFA to cover the additional costs of the agreed teachers pay increase for the year.

Nursery Funding is utilised to employ appropriate staff for the Nursery on site at two of the schools within the Trust.

Funding was received for the running of a Specialist Resource Base at Manor Field Infant and Nursery school for specialised additional needs support.

Funding was received from Norfolk County Council for the operation of Watton Children's Centre.

Funding was received from the Local Authority to support Looked After Children (LAC) at schools within the Trust.

The pension reserve deficit at the year end was £1,806,000 and represents the Trust's share of the deficit of the relevant Local Government Pension Schemes.

Devolved Formula Capital funding is received for minor capital works and ICT replacement within the Trust.

Following a successful bid, Condition Improvement Funding (CIF) was received for a project at Watton Westfield Infant and Nursery School for security and safeguarding improvements.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Manor Field Infant and Nursery School	48,568	15,852
Watton Westfield Infant and Nursery School	100,895	83,356
Aslacton Primary School	131,398	121,071
Central services	214,087	233,228
Total before fixed asset funds and pension reserve	494,948	453,507
Restricted fixed asset fund	6,992,928	7,034,690
Pension reserve	(1,806,000)	(1,121,000)
Total	5,681,876	6,367,197

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Manor Field Infant and Nursery School	662,541	53,464	6,112	210,420	932,537	986,215
Watton Westfield Infant and Nursery School	931,312	134,320	18,531	274,440	1,358,603	1,466,026
Aslacton Primary School	219,038	26,288	3,055	87,006	335,387	338,302
Central services	127,336	69,498	14	60,595	257,443	278,784
Trust	1,940,227	283,570	27,712	632,461	2,883,970	3,069,327

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General funds	265,684	135,785	(24,490)	(272,684)	-	104,295
Restricted general funds						
General Annual Grant (GAG)	-	2,087,704	(1,964,058)	91,319	-	214,965
Pupil Premium	-	80,670	(87,920)	7,350	-	100
Cluster funding	12,269	22,733	(32,924)	-	-	2,078
PE and Sports grant	4,803	51,310	(26,988)	(6,500)	-	22,625
Universal Infant Free School Meals	18,879	132,194	(134,393)	5,916	-	22,596
Developed Formula Capital	-	17,953	(17,953)	-	-	-
Teachers' pay grant	11,770	-	(11,930)	160	-	-
Nursery funding	29,807	201,577	(182,848)	(353)	-	48,183
Specialist Resource Base	-	28,437	(28,437)	-	-	-
Other restricted funds	-	13,911	(12,911)	-	-	1,000
Children's Centre	6,818	219,703	(195,498)	(1,761)	-	29,262
Rates relief	-	17,380	(8,977)	-	-	8,403
Pension reserve	(1,243,000)	-	(340,000)	152,000	310,000	(1,121,000)
	<u>(1,158,654)</u>	<u>2,873,572</u>	<u>(3,044,837)</u>	<u>248,131</u>	<u>310,000</u>	<u>(771,788)</u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

17. Statement of funds (continued)

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Restricted fixed asset funds						
Assets transferred on conversion	7,105,772	-	(132,187)	-	-	6,973,585
Early Years equipment	9,000	3,000	(2,832)	353	-	9,521
Assets Purchased from GAG	43,580	-	(15,631)	15,939	-	43,888
Assets Purchased from Children's Centre Funding	-	-	(294)	1,761	-	1,467
Assets Purchased from PE and Sports Grant	-	-	(271)	6,500	-	6,229
	<u>7,158,352</u>	<u>3,000</u>	<u>(151,215)</u>	<u>24,553</u>	<u>-</u>	<u>7,034,690</u>
Total Restricted funds	<u>5,999,698</u>	<u>2,876,572</u>	<u>(3,196,052)</u>	<u>272,684</u>	<u>310,000</u>	<u>6,262,902</u>
Total funds	<u><u>6,265,382</u></u>	<u><u>3,012,357</u></u>	<u><u>(3,220,542)</u></u>	<u><u>-</u></u>	<u><u>310,000</u></u>	<u><u>6,367,197</u></u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	6,949,382	6,949,382
Current assets	171,485	613,800	43,546	828,831
Creditors due within one year	-	(290,337)	-	(290,337)
Provisions for liabilities and charges	-	(1,806,000)	-	(1,806,000)
Total	<u>171,485</u>	<u>(1,482,537)</u>	<u>6,992,928</u>	<u>5,681,876</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	7,034,690	7,034,690
Current assets	104,295	587,841	5,261	697,397
Creditors due within one year	-	(238,629)	(5,261)	(243,890)
Provisions for liabilities and charges	-	(1,121,000)	-	(1,121,000)
Total	<u>104,295</u>	<u>(771,788)</u>	<u>7,034,690</u>	<u>6,367,197</u>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

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

	2019 £	2018 £
Net expenditure for the year (as per Statement of financial activities)	(138,321)	(208,185)
Adjustments for:		
Depreciation charges	159,084	151,215
Capital grants from DfE and other capital income	(100,541)	(20,953)
Defined benefit pension scheme cost less contributions payable	105,000	155,000
Defined benefit pension scheme finance cost	33,000	33,000
Decrease in debtors	20,291	71,102
Increase/(decrease) in creditors	46,447	(105,597)
Dividends, interest and rents from investments	(347)	(299)
Net cash provided by operating activities	124,613	75,283

20. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	347	299
Purchase of tangible fixed assets	(73,776)	(36,553)
Capital grants from DfE Group	89,141	17,953
Capital funding received from sponsors and others	-	3,000
Net cash provided by/(used in) investing activities	15,712	(15,301)

21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	745,366	605,041
Total cash and cash equivalents	745,366	605,041

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

22. Pension commitments

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

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

A further valuation of the LGPS was underway at the date of signing of these accounts, but the results were not finalised and therefore are not reflected within this note.

Contributions amounting to £34,684 were payable to the schemes at 31 August 2019 (2018 - £35,666) 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 and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

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

- an increase in employer contribution rates from 16.48% to 23.68% of pensionable pay (including a 0.08% employer administration charge), this rise has been delayed from 1 April 2019 to 1 September 2019
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- there will be funding from the DFE for the financial year 2019/20 to help maintained schools and academies meet the additional costs resulting from the scheme valuation. Funding for 2020/21 onwards will be discussed as part of the next Spending Review round.

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

22. Pension commitments (continued)

The TPS valuation for 2016 determined an employer rate of 23.6%, which is payable from September 2019. The next valuation of the TPS will be at March 2020 and will be based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £148,892 (2018 - £145,540).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £176,000 (2018 - £195,000), of which employer's contributions totalled £139,000 (2018 - £152,000) and employees' contributions totalled £37,000 (2018 - £43,000). The agreed contribution rates for future years are 19.2-21.3 per cent for employers and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Salary increase rate	2.6	2.60
Pension increase rate	2.3	2.30
Discount rate	1.9	2.80

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.1	22.1
Females	23.5	24.4
<i>Retiring in 20 years</i>		
Males	22.4	24.1
Females	25.0	26.4

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

22. Pension commitments (continued)

Sensitivity analysis

	2019	<i>2018</i>
	£000	<i>£000</i>
Discount rate -0.1%	98,200	<i>69,000</i>
Salary increase rate +0.1%	16,000	<i>13,400</i>
Pension increase rate +0.1%	80,200	<i>54,600</i>

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

	At 31 August 2019	<i>At 31 August 2018</i>
	£	<i>£</i>
Equities	666,400	<i>577,830</i>
Bonds	489,600	<i>385,220</i>
Property	163,200	<i>135,960</i>
Cash	40,800	<i>33,990</i>
Total market value of assets	1,360,000	<i>1,133,000</i>

The actual return on scheme assets was £65,000 (2018 - £61,000).

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

	2019	<i>2018</i>
	£	<i>£</i>
Current service cost	(231,000)	<i>(307,000)</i>
Past service cost	(13,000)	<i>-</i>
Interest income	34,000	<i>24,000</i>
Interest cost	(67,000)	<i>(57,000)</i>
Total amount recognised in the Statement of Financial Activities	(277,000)	<i>(340,000)</i>

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

22. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	2,254,000	2,129,000
Current service cost	231,000	307,000
Interest cost	67,000	57,000
Employee contributions	37,000	43,000
Actuarial losses/(gains)	578,000	(273,000)
Benefits paid	(14,000)	(9,000)
Past service costs	13,000	-
At 31 August	3,166,000	2,254,000

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

	2019 £	2018 £
At 1 September	1,133,000	886,000
Interest income	34,000	24,000
Benefits paid	(14,000)	(9,000)
Return on assets excluding amounts included in net interest	31,000	37,000
Employer contributions	139,000	152,000
Employee contributions	37,000	43,000
At 31 August	1,360,000	1,133,000

23. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	1,900	1,582
Later than 1 year and not later than 5 years	7,284	-
	9,184	1,582

CORVUS EDUCATION TRUST
(A company limited by guarantee)

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

24. 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.

25. Related party transactions

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, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

Expenditure related party transactions

Esther Marshall, the spouse of Michael Marshall, a Member and Trustee to 8 July 2019, is employed at Manor Field Infant and Nursery School as a teaching assistant. Esther Marshall's appointment was made in open competition and Mike Marshall was not involved in the decision making process regarding appointment. Esther Marshall is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a Trustee and Member.

26. Agency arrangements

The Trust distributes School Direct Salaried Initial Teacher Training funds to partner schools as an agent for NCTL. In the accounting period ending 31 August 2019 the Trust received £54,000 and disbursed £54,000 from the fund. No amounts were held at the year end relating to undistributed funds that are repayable to NCTL.