

Company Registration Number: 10831275 (England & Wales)

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Rev. A Drake R Ayling (resigned 17 September 2020, appointed 1 June 2021) J Hill S Johnson (appointed 8 September 2020, resigned 31 August 2021) S Whitfield (appointed 1 June 2021)
Trustees	R Abo-Henriksen, Chair R Ayling (resigned 17 September 2020) J Brindle, Chair of Finance, Audit & Risk Committee K Byatt P Cozens, Chief Executive and Accounting Officer R Gregory, Vice Chair S Whitfield (resigned 28 April 2021) P Bedwell, Vice Chair A Gaywood (appointed 8 September 2020) Bishop R Morris (appointed 8 September 2020) Dr D J Loneragan (appointed 8 September 2020, resigned 18 September 2020) A Wildman (appointed 28 April 2021)
Company registered number	10831275
Company name	Keys Co-operative Academy Trust
Principal and registered office	Heybridge Co-Operative Academy The Street Heybridge Essex CM9 4NB
Chief executive officer	P Cozens
Senior management team	P Cozens, Chief Executive Officer and Accounting Officer K Panrucker, Chief Operating and Financial Officer L Terroni, Headteacher - NEECA P Davis, Headteacher - HCA J Chadwick, Headteacher - ECA
Independent auditors	Griffin Chapman Chartered Accountants 4&5 The Cedars Old Ipswich Road Colchester Essex CO7 7QR

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Bankers

Lloyds Bank PLC
77/81 High Street
Chelmsford
Essex
CM1 1DU

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The academy trust operates three Special/AP academies in Essex. Its academies have a combined pupil capacity of 407 pupil places.

Keys Co-operative Academy Trust (KCAT)		
Heybridge Co-operative Academy (HCA)	AP Academy	135 Pupil Places
North East Essex Co-operative Academy (NEECA)	AP Academy	152 Pupil Places
The Endeavour Co-operative Academy (ECA)	Special Academy	122 Pupil Places

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Keys Co-operative Academy Trust are also the directors of the charitable company for the purpose of company law. The charitable company operates as Keys Co-operative Academy Trust. Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

MEMBERS' LIABILITY

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

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy trust is the responsibility of the Trustees who are elected and co-opted under the terms of the memorandum and articles of association.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Keys Co-operative Academy Trust subscribes to a number of services to support the induction and training of new Trustees. This includes membership of the National Governance Association which gives a wealth of resources and information to Members. The membership to the NGA extends to the learning link, which is an online learning platform offering training modules. Keys Co-operative Academy Trust also subscribes to governance training offered through the Local Authority, Essex County Council, which also offers information, training and events to Trustees and Governors.

New Members, Trustees and Governors are offered a school tour and one to one meeting with the CEO, COFO and/or Head of School/Headteacher as a way of an informal induction to the Trust. From January 2021, a programme of virtual briefings were introduced on (1) alternative provision education (2) school/alternative provision finance/funding (3) MAT governance and co-operative values.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

ORGANISATIONAL STRUCTURE



- Finance, Audit & Risk Committee (FARC)
- Local Governing Bodies (LGB's)

The Members take ultimate responsibility for the Trust achieving its charitable objectives and have ultimate control. Members have the ability to appoint Trustees and have the right to amend the Trust's Articles of Association and the Board of Trustees.

As a charity and company limited by guarantee, Keys Co-operative Academy Trust is governed by a board of trustees (the Board) who have responsibility and decision making authority for all the work of the Trust, including the establishing and running of the academies maintained by the Trust. The Board of Trustees deliver the core governance functions and ensure that Trust business is conducted in compliance with company and charity law.

During the 2020/21 financial year, the Board of Trustees agreed to merge the Resources Committee and Pay, Personnel and Performance Committee and transfer the responsibilities to a single Finance, Audit and Risk Committee.

ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trust Board are responsible for determining the pay range and starting salary of the Chief Executive Officer (CEO) and Chief Operating and Financial Officer (COFO).

The CEO's Performance Management Review Panel is responsible for making pay progression recommendations for the CEO. The CEO is responsible for making pay progression recommendations for the COFO and such recommendations are ratified by the Trust Board

The CEO is responsible for determining the pay range and starting salary of Headteachers and Heads of Schools within agreed pay bandings for the school, approved by the Trust board. The CEO is responsible for making pay progression recommendations for Heads of Schools. Such recommendations will be ratified by the Trust Board.

TRADE UNION FACILITIES TIME

Relevant Union Officials	
Number of employees who were relevant union officials during the relevant periods	Full-time equivalent employee number
2	1.2
Percentage of time spent on facility time	
Percentage of Time	Full-time equivalent employee number
0%	-
1-50%	1.2
51-99%	-
100%	-
Percentage of pay bill spent on facilities time	
Total cost of facility time	£15,350

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FOR THE YEAR ENDED 31 AUGUST 2021

Total Pay Bill	£7,668,783
Percentage of pay bill spent on facility time	0.20%

Paid trade union activities

Time spent on paid trade union activities as a 100%
percentage of total paid facility time hours

Keys Co-operative Academy Trust claims reimbursement for paid union time via the Essex County Council Public Duties Insurance Scheme.

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

Keys Co-operative Academy Trust works very closely with other Schools and Academy Trusts in the local area. Due to the nature of our alternative provision academies and the communities they serve, our local governing boards have always had a good representation from local headteachers.

When the Trust was established in 2017 we encouraged representation of local schools / Trusts on our board, which does mean there are a number of connected parties.

When a child is referred to our alternative provision academies, Local Schools transfer pupil-led funding (AWPU) to us and pay a termly charge or exclusion levy. Therefore, this revenue could be identifiable as a connected party transaction where a headteacher or Trustee of the referring school/trust is also a Trustee of our own organisation. Occasionally we have made purchases from local schools/trusts, which are predominantly CPD training opportunities offered by other local schools.

During the 2020-21 financial year, we had Local Governors and Trustees connected to the following schools and Trusts:

- Chelmsford Learning Partnership Trust
- Learning Pathways Trust
- Templefields MAT
- Hope Learning Community MAT
- NEMAT (prior to merger with The Bridge on 1st April 2021)
- Osborne Co-operative Academy Trust

During 2019-20 we also reported that The Sigma Trust was a related party. This relationship ceased to be a related party in August 2020.

The Endeavour Co-operative Academy is supported by a separate charity known as the Anchorage, which was established prior to the school joining the academy trust. The Anchorage raises funds for the school through fundraising activity and passes these funds over to the Academy Trust.

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The Academy Trust's objects are specifically restricted to the following:

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

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FOR THE YEAR ENDED 31 AUGUST 2021

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").

OBJECTIVES, STRATEGIES AND ACTIVITIES

During the 2020-21 academic year, the Trust focussed on 4 main strategic priorities

- PRIORITY 1 - To hold schools to account for the effectiveness of leadership and management
- PRIORITY 2 - Quality of education is good to outstanding in all schools and all schools focus on raising standards for all pupils
- PRIORITY 3 - Enable all learners to be good citizens in their communities by embedding co-operative values in our schools
- PRIORITY 4 - Ensure succession planning and long term future of the Trust
- PRIORITY 5 - Ensure financial sustainability for all schools in the Trust

Priority 1

- The current assessment for leadership and management in all schools is judged good via each school SEF
- All three schools have maintained a good record with regard to having a low number of Covid cases and staff have felt confident about the risk assessments used in each school
- Headteachers at NEECA and HCA have reviewed and revised the curriculum offer to provide a range of interventions and increase the hours offered to all pupils in line with LA and DfE. This is being implemented this year. Endeavour prepared to receive their first KS5 cohort and 12 pupils started in September 2021.

Priority 2

- Endeavour focused on Reading and literacy in staff training. HCA and NEECA focused on Trauma Perceptive Practice and staff at all three schools have access to bespoke training packages via Educare/TES
- Pupil and staff wellbeing has been a major focus throughout the year and evidence from attendance of both staff and pupils has been sustained despite the impact of Covid19.
- Evidence from PMR paperwork, pupil outcomes in Year 11 and NEET, transition back to schools at AP, parental and pupil feedback indicates that standards of the quality of education have been maintained

Priority 3

- Cooperative values are a key element of the PHSE curriculum in all schools and the values are reinforced in all school policies.
- Safeguarding and wellbeing have been a crucial focus this year as a result of the disruption to learning and training in TPP provides further support to developing a values based culture across the Trust
- All schools have case studies to demonstrate the development of citizenship among pupils and staff

Priority 4

- Primary provision opened at the Chipping Hill, Witham site in January. This is a key part of our onward plan for the development of provision for HCA. Plans are progressing for secondary provision to be on the Witham site and in preparation for this, we are developing a shadow staffing structure for secondary which will include succession planning.
- It has been difficult to finalise succession planning in such a disrupted year and this remains a priority for next year
- Expansion plans beyond our current cohort of schools has been limited as schools are reluctant to consider major structural and organisational changes. However, in the light of DfE advice we are developing our traded services offers and are in a relationship with Glenwood school where we are delivering IT support and we are working closely with a Primary Trust in Braintree. We plan to develop this work further. The Head of primary provides outreach support to primary schools, a service paid for by the LA and has reduced PEX in

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local primaries from 20 per year to 2. This despite the national figure for primary permanent exclusion rising exponentially.

Priority 5

- Both HCA and Endeavour are working on Financial Recovery plans which have been agreed at Board level. Both schools are in premises that are expensive to run and some of the costs will be mitigated and reduced once they move into their new buildings. However, the major costs for both schools are staffing costs. HCA has saved £325,000 over the past 2 years through not replacing staff or moving staff to posts in another school. This included the transfer of staff to vacant posts at NEECA and internal appointments to new posts created at HCA Primary Provision. There will be the option of further savings this year when 3 staff retire. At Endeavour, the situation is related to static funding over the last 10 years - a common issue for all special schools - the LA are reviewing special school funding this year and there is a national SEND review which will include a consideration of funding. Both Headteachers are working closely with the COFO to monitor their budgets.
- Trust central services has cut costs when appointing replacement staff; through traded service offers and through scrutinising all contracts.

PUBLIC BENEFIT

In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and believe that the aims and objectives of the organisation are all for the public benefit.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Y11 Exam Results

Heybridge Co-operative Academy

	2018-19	2019-20	2020-21
5+ 9-4	7%	11%	29%
5+ 9-4 with En & Ma	7%	11%	26%
5+ 9-1	51%	26%	69%
5+ 9-1 with En & Ma	51%	26%	69%
1+ 9-1	95%	96%	97%
English 9-4	31%	30%	60%
English 9-1	93%	94%	97%
Maths 9-4	15%	17%	32%
Maths 9-1	78%	94%	97%

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North East Essex Co-operative Academy

	2018-19	2019-20	2020-21
5+ 9-4/A*-C (with Eng & Mat)	13% (13%)	11% (9%)	10% (8%)
5+ 9-1/A*-G (with Eng & Mat)	35% (35%)	32% (32%)	35% (35%)
4+ 9-4/A*-C (with Eng & Mat)	13% (13%)	18% (11%)	14% (12%)
4+ 9-1/A*-G (with Eng & Mat)	47% (33%)	56% (47%)	42% (41%)
At least 1 qualification	86%	100%	96%

Endeavour Co-operative Academy

- 88% of pupils gained an Entry-Level Functional Skills Qualification English and Maths
- 100% of pupils received AQA Awards in PSE

KEY PERFORMANCE INDICATORS

Ofsted

All 3 schools are imminently expecting an Ofsted inspection. The last judgement at each school were as follows:

Heybridge Co-operative Academy July 2015 **OUTSTANDING**
(Inspected as Heybridge Alternative Provision School)

North East Essex Co-operative Academy June 2014 **GOOD**
(Inspected as North East Essex Additional Provision School)

The Endeavour Co-operative Academy Dec 2015 **GOOD**
(Inspected as The Endeavour School)

Income per school place

Income KPI's	ECA	HCA	NEE	2020-21 Trusts (Forecast)	2019-20	2018-19
Total Income Per Place	£14,845	£22,569	£22,199	£20,131	£20,642	£18,867
Restricted Income as a % of Total Income	98.9%	99.5%	97.0%	98.3%	85.7%	77.2%

Balance Sheet KPI's

Balance Sheet KPI's	2020-21
Cash Balances as a % of Total Income	46.0%
Current Assets to Current Liabilities	34:1

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Other financial KPI's

Last year, due to the impact of COVID causing volatility in expenditure, the Trust amended its KPIs to be based on income calculations. Management accounts include the following KPI elements, which exclude the impact of the defined benefit pension scheme current service charge:

	2019/20	2020/21
Staff salaries (payroll) costs as % total income	77.8%	80.3%
Spend on teaching staff as % of total income	57.4%	56.8%
Spend on education and other support staff as % of total income	20.4%	23.5%

Teaching staff costs include teachers and leadership staff.

Staff costs are high at the Endeavour, which is typical of a special school, although with the opening of the 6th form and working with Integrated Curriculum Financial Planning tools we hope to bring this in line with the KPI's.

Senior Leaders costs at the AP Academies remain high, and therefore this will be an area for focus in future years, particularly when considering the staffing establishment in the new buildings. The objectives for this as a % of income will be set for this in the future.

Pupil place to adult ratios at the AP Academies is low, which gives an opportunity in the future to look at reducing staffing costs. This is currently as a consequence of the school buildings as group sizes have to remain very small. With new builds being planned at both AP academies, this will be an area of focus in the future.

The trust has been working on recovery plans, particularly looking at the level of expenditure on staffing. As there is a significant change to AP funding pending for September 2021 and each of the 3 schools are benefitting from rebuilding projects, Trustees have decided to coordinate any required staffing restructuring with the opening of the new-builds, which will enable a greater pupil to teacher ratio with larger classrooms and better facilities.

COVID-19 has impacted the financial performance of the Trust with less income received than expected. Particularly for referral income from schools as far fewer referrals were made. Despite the reduction in income, the reduced expenditure outweighed this and therefore COVID-19 did not adversely affect the Trust's finances.

GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy 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

When the 2020-21 budget was set, Trustees initially expected the last financial year to result in an annual operating deficit (36k) as this budget included a number of school development initiatives to be funded by held reserves.

Planned expenditure of reserves included:

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- The setting up of a new site (HCA Primary) for which a budget of £75k was set to cover some capital improvement works as well as resourcing the new site.
- A planned 45k contribution to the CIF project to replace windows at the Endeavour
- Covering the first 6 months of salaries for new staff in the Endeavour 6th form ahead of the first cohort starting in September 2021 £55k

The planned deficit ended up with an actual surplus of £160k on the movement of the general restricted and unrestricted funds, representing a variance of £197k against budget.

There were a number of factors affecting this variance, which was mainly due to lower levels of expenditure.

Income - overall income was significantly less than budgeted, mainly due to fewer referrals from schools during the pandemic at the alternative provision academies. The Local Authority has been working on a new funding model for AP which in future will give a greater certainty for income in the future.

Expenditure - despite an decrease in income, the level of expenditure during the pandemic significantly outweighed this, causing the operating surplus.

This is considered before the impact of the defined benefit scheme, as per Note 27.

In particular, £145k was saved in staffing costs. This was due to some resignations not being able to be replaced during the lockdowns, with vacant posts remaining during this time.

In other expenditure, premises costs were £40k less than budgeted for, however it was the budgets for educational costs which were most significantly underspent during this time with savings across the 3 schools equating to £260k. This will have mainly come from the budgets for alternative provisions, where pupils were not able to engage in off site activities and provision during the lockdowns.

RESERVES POLICY

Academies in the Trust are expected to hold contingency reserves from their annual GAG funding or other income to alleviate financial risks and guarantee the continued activities of the Trust. The Trust will aim to accumulate a minimum cash in bank balance equivalent to two month's payroll for all Academies and central services staff within the Trust. This currently amounts to £1.28m.

The Trust's current level of free reserves (unrestricted reserve) is £3,922,495 (2020: £3,858,535).

The Trust's balance on restricted general fund (excluding pension reserves) plus the balance on unrestricted funds at 31 August 2021 was £4,104,886 (2020: £3,944,865).

The fixed asset reserve fund also stands at £10,517,561 as at 31 August 2021, £10,507,170 of which could not be realised without disposing of tangible fixed assets.

The cash balance of the Trust has been healthy all year, ending the year with a balance of £3,892,115 (2020: £3,687,572).

The balance sheet includes a liability of £4,039,000 in relation to the Trust's FRS 102 disclosure of the Local Government Pension Scheme (see pensions note for further details). This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the amount of employers contributions in the future.

The Trust holds significantly higher levels of reserves than the required contingency of which the majority of this was accumulated at predecessor schools prior to the formation of the Trust. With 3 significant Capital Projects (New schools at each school) the Trust plans to utilise these reserves to contribute to enhancing the proposed buildings, fixtures and fittings. There are also plans to retain our existing sites at the AP Academies and utilise our own reserves to create additional specialist provisions, such as supporting very high need pupils.

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The Trustees also require a revenue reserve to be created to fund future expenditure related to the Academy Development Plan's strategic long-term aims and developments. This is known as the School Development Fund.

The Trustees of Keys Co-operative Academy Trust (KCAT) require its Academies to budget for creating a reserve for future capital expenditure.

The expected amount of capital reserves to be budgeted for will vary between academies and will be approved by Trustees annually when the annual budget is agreed. Trustees take into consideration the amount of available revenue contingency within the budget balanced with the need for capital expenditure when deciding upon this figure.

Academies are expected to bid for capital improvement funding (CIF), with a view to being able to contribute at a minimum of 2.5% up to a maximum of 15% (for full scoring) towards any capital project.

INVESTMENT POLICY

Trustees maximise income as far as possible and have an investment policy to manage, control and track their financial exposure and ensure value for money. A high interest or deposit account is maintained, in addition to the normal current account and surplus balances are, as far as possible, transferred to the higher interest deposit account.

The Board of Trustees follow the Charity Commission's guidance (CC14 Charities and investment matters: a guide for trustees) and will seek ESFA prior approval for investments which are novel and/or contentious.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees maintain a register of business risk.

The most significant identified risk to the trust is the uncertainty of our funding and the lack of inflationary increases to our core funding. All schools in the Trust are funded predominantly by special place funding and top-up from the local authority. As the £10,000 per place funding and LA top-up has remained static since 2011 and there is no mechanism or formula in place for annual increases to funding, our 3-5 year forecasts always show a future deficit budgets when taking in to account increasing staffing and operational expenditure.

The local authority is reviewing the top-up funding arrangements for 2022-23 and their current proposals address some of the risks, but until there is an indexed linked funding model in place for special and AP schools, this will always remain a risk to the Trust.

PRINCIPAL FUNDING

The vast majority of funding received by Keys Co-operative Academy Trust is designated funds from both the ESFA and Local Authority.

These funding streams include:

- Per-place (FTE) funding
- Local Authority top-up funding
- Business rates grant
- Teachers pay grant
- Teachers' pension employer contribution grant
- Universal infant free school meals

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- PE and sport premium
- Pupil Premium
- Other grants

As two of the schools in the Trust are alternative provision pupil referral units there is also a significant stream of income from referring schools who transfer funding when a referral is made.

FUNDRAISING

Of the three schools in the trust, fundraising only takes place at The Endeavour Co-operative Academy. There is no external fundraising.

Due to the coronavirus pandemic, the last academic year was incredibly difficult year for fundraising. The businesses that have previously supported us have been unable to do so as their finances have been affected. Charities and grant giving organisations were unable to raise their own funds, as mass participation events such as the London Marathon, were cancelled due to the virus. Furthermore, Trustee meetings were not taking place for charities that were unable to do so remotely, meaning that they could not make decisions on how to spend the money that they did have to give.

In the 2020/2021 academic year £8,582.68 was raised in total.

This is earmarked to support the following initiatives:

- Hall refurbishment - £2,500 pledged but will be paid to us when the total amount is raised + £2,000 received.
- Library refurbishment - £2637.50 received through our Christmas appeal and a charitable donation, plus a matched funding contribution towards books
- Easy fundraising - £1013.86
- Amazon Smile - £41.71
- Amazon wish list - donated items to the value of £389.61

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

The Trust will be going through a period of significant change over the next 3-5 years, with new buildings being proposed at all 3 of our sites.

At North East Essex Co-operative Academy, the Local Authority, Essex County Council, will commence building an 80 place school in Walnut Tree Way, Colchester which will be in addition to the current site in Mile End. This new build has been through the council's procurement phases with a contractor appointed and has been granted all permissions and is due to commence construction in January 2022, with an anticipated completion date in January 2023. It is proposed that when this new-build is fully operational, the Local Authority will commission an additional 18 places at the school, bringing the planned admission number at this school to 170.

As part of the same scheme to develop the PRU Estate in Essex, Heybridge Co-operative Academy will also benefit from a new build provided by Essex County Council. There have been delays to this project, due to the inability to extend on the existing site, but the council has now concluded the feasibility of constructing a new build to the rear of the site we are currently occupying in Witham. If these plans are granted the relevant permissions we could expect to occupy this site in 2024.

The Endeavour Co-operative Academy welcomes its first cohort of Key Stage 5 (6th form) Students in September 2021. It had been planned to build a new block to accommodate the additional <60 Key Stage 5 places however, The Endeavour has recently been identified and successfully shortlisted to be included in the next round of schools to be rebuilt as part of the government's school rebuilding programme. Following initial

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discussions with the Department for Education, if all goes to plan, we anticipate completion of this in Spring 2024.

The local authority has been reviewing the top-up funding arrangements for Pupil referral units (PRU's) in Essex, and are proposing that a new funding model comes into effect from September 2022. Keys Co-operative Academy Trust has been consulted on this proposal and welcomes the local authorities decision to increase the level of top-up funding, which will provide greater stability and sustainability to the Trust's finances.

The trust continues to explore opportunities for expansion and have recently engaged in informal discussions with Headteachers and Local Governing Boards of Local Special Schools in regards to joining our Trust.

FUNDS HELD AS CUSTODIAN

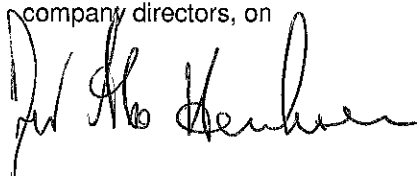
We do not currently hold any funds as a custodian, however in September 2021, Keys Co-operative Academy Trust has offered to provide the role of treasurer for the newly established SEND & AP CEO's National Network so will be collecting member subscriptions until such a time that the network establishes itself as a registered organisation with the charities commission.

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 the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's 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 **9 December 2021** and signed on its behalf by:



R Abo-Henriksen
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Keys Co-operative Academy 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.

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GOVERNANCE STATEMENT (CONTINUED)

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 4 times during the year in September, December, March and July. Although the full board has met less than the suggested six times per year in accordance with the Academy Trust Handbook, the Finance, Audit and Risk Committee (FARC) meets six times a year with delegated responsibility for oversight of the trusts accounts and the minutes of those committee meetings are fully available to Trustees.

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

Trustee	Meetings attended	Out of a possible
R Abo-Henriksen, Chair	4	4
R Ayling (resigned 17 September 2020)	0	0
J Brindle, Chair of Finance, Audit & Risk Committee	4	4
K Byatt	4	4
P Cozens, Chief Executive and Accounting Officer	4	4
R Gregory, Vice Chair	3	4
S Whitfield (resigned 28 April 2021)	3	3
P Bedwell, Vice Chair	3	4
A Gaywood (appointed 8 September 2020)	2	4
Bishop R Morris (appointed 8 September 2020)	4	4
Dr D J Loneragan (8-18 September 2020)	1	1
A Wildman - appointed 28 April 2021	1	1

Changes to Trust Membership

Members

Sandra Johnson stepped down as a Member at the end of the 2020/21 academic year. Having previously stepped down as a Trustee, due to relocation Russell Ayling was appointed as a Member of the Trust in June 2021.

The Finance, Audit and Risk Committee (FARC) is a sub committee of the main Board of Trustees. Its purpose is to consider, recommend and, in some cases approve, finance, premises, Health and Safety, asset management, personnel and audit matters (in strict accordance with its terms of reference). The FARC has formally met 6 times during the year in September, November, January, March, May and June.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Abo-Henriksen	4	6
J Brindle	6	6
P Cozens	6	6
R Gregory	6	6
K Byatt	5	6

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Implementing a financial recovery plan at Heybridge Co-operative Academy to reduce staffing costs.
- The introduction of pool cars and optional remuneration car leasing scheme to employees to reduce staff travel costs
- Reducing the cost of centralised services by restructuring the IT Support Team
- Reducing the cost of centralised services by reviewing the requirement for replacement posts following resignation
- Purchase of a new financial accounting system
- Ensuring competitive quotations are sought for achieving best pricing for larger purchases
- The use of framework agreements for purchasing.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy 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 Keys Co-operative Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance Audit and Risk Committee (FARC) 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

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from SBM Services.

The internal audit service includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Visit 1 Administration, Finance & Management Systems & Governance
- Visit 2 Budget - Academies and the Central Trust
- Visit 3 Payroll & Personnel Compliance Audit
- Visit 4 Purchasing & Creditors
- Visit 5 Data Protection audit (full scope)

Following each visit, the internal audit service reports to the Board of Trustees through the Finance, Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal audit service delivered their schedule of work as planned, and did not identify any material control issues.

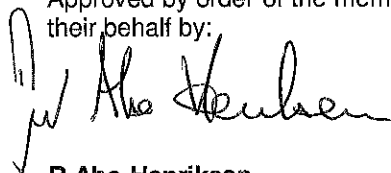
Review of effectiveness

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal audit service;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



R Abo-Henriksen
Chair of Trustees

9 December 2021

and signed on



P Cozens
Accounting Officer

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



P Cozens
Accounting Officer
Date:

9 December 2021

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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

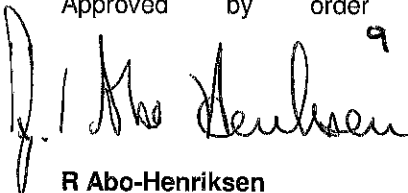
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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
and signed on its behalf by:



R Abo-Henriksen
Chair of Trustees



P Cozens
Accounting Officer

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KEYS
CO-OPERATIVE ACADEMY TRUST**

Opinion

We have audited the financial statements of Keys Co-operative Academy Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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

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

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

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

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KEYS
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy 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.

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KEYS
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KEYS
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

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.

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

The engagement partner ensured the engagement team had the necessary skills and knowledge to identify non-compliance with applicable laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and for those that are most significant, we enquired into how management ensures compliance is maintained.

We identified that the principal risks of non-compliance with laws and regulations related to the DfE/ESFA regulatory industry that the Academy operates in. This affects the ability to continue trading as an Academy Trust. Other relevant laws and regulations of note include health and safety.

Enquiry and review of the entity's transactions was undertaken to highlight any instances of penalties, fines or legal activity which could suggest non-compliance with laws and regulations. There was no contradictory evidence found.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements including the Companies Act 2006, Accounts Directions and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to the override of delegated authorities and the misappropriation of grant funding.

In response, we incorporated testing of procurement and expenditure and any other entries at risk of falling outside of delegated authorities.

Scrutiny of unusual transactions and analytical procedures were used to help identify risk factors in monies received and expended during the year.

It is also stated, as a reminder, that the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

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.

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF KEYS
CO-OPERATIVE ACADEMY TRUST (CONTINUED)**

Use of our report

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



Daniel M Aldworth FCCA FMAAT (Senior statutory auditor)

for and on behalf of:

Griffin Chapman

Chartered Accountants

Statutory Auditor

4&5 The Cedars

Old Ipswich Road

Colchester

Essex

CO7 7QR

Date:

10 December 2021

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KEYS CO-OPERATIVE ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 April 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Keys Co-operative Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Keys Co-operative Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Keys Co-operative Academy Trust's funding agreement with the Secretary of State for Education dated 24 August 2017 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KEYS CO-OPERATIVE ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Approach

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

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

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

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

The work undertaken comprised:

- a) Analytical review as part of the consideration of whether general activities of the academy trust are within the academy trusts framework of authorities
- b) Confirmation that items have been appropriately authorised in accordance with the academy trust's delegated authorities. Confirmation that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education.
- c) Performing of sample testing of expenditure & procurement and review against specific terms of grant funding within the funding agreement.
- d) Review and testing of the systems surrounding the management of related party transactions.
- e) Consideration of governance activities in line with ESFA expectations.

The extent of work performed was based upon our professional judgement, informed by the assessment of the risk of material irregularity, impropriety and non-compliance.

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Mr Daniel Aldworth (Reporting Accountant)
Griffin Chapman
Chartered Accountants

4&5 The Cedars
Old Ipswich Road
Colchester
Essex
CO7 7QR

Date: 10 December 2021

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	50	21,007	242,852	263,909	37,405
Charitable activities:	4					
Funding for the academy's educational operations		421,798	7,744,521	-	8,166,319	8,110,344
Other trading activities	5	25,078	98,773	-	123,851	43,677
Investments	6	1,458	-	-	1,458	10,544
Total income		448,384	7,864,301	242,852	8,555,537	8,201,970
Expenditure on:						
Charitable activities:	8					
Academy trust educational operations		-	8,967,824	151,418	9,119,242	8,300,074
Total expenditure		-	8,967,824	151,418	9,119,242	8,300,074
Net income/(expenditure)		448,384	(1,103,523)	91,434	(563,705)	(98,104)
Transfers between funds	20	(384,424)	570,584	(186,160)	-	-
Net movement in funds before other recognised gains/(losses)		63,960	(532,939)	(94,726)	(563,705)	(98,104)
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	27	-	(256,000)	-	(256,000)	644,000
Net movement in funds		63,960	(788,939)	(94,726)	(819,705)	545,896

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Reconciliation of funds:					
Total funds brought forward	3,858,535	(3,067,670)	10,612,287	11,403,152	<i>10,857,256</i>
Net movement in funds	63,960	(788,939)	(94,726)	(819,705)	<i>545,896</i>
Total funds carried forward	3,922,495	(3,856,609)	10,517,561	10,583,447	<i>11,403,152</i>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 32 to 62 form part of these financial statements.

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10831275

BALANCE SHEET
AS AT 31 AUGUST 2021

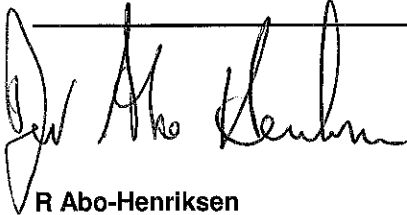
	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	10,507,170	10,604,698
		<u>10,507,170</u>	<u>10,604,698</u>
Current assets			
Stocks	16	713	568
Debtors	17	345,007	425,160
Cash at bank and in hand		3,892,115	3,687,572
		<u>4,237,835</u>	<u>4,113,300</u>
Creditors: amounts falling due within one year	18	(122,558)	(160,846)
Net current assets		<u>4,115,277</u>	<u>3,952,454</u>
Total assets less current liabilities		<u>14,622,447</u>	<u>14,557,152</u>
Net assets excluding pension liability		<u>14,622,447</u>	<u>14,557,152</u>
Defined benefit pension scheme liability	27	(4,039,000)	(3,154,000)
Total net assets		<u><u>10,583,447</u></u>	<u><u>11,403,152</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	20	10,517,561	10,612,287
Restricted income funds	20	182,391	86,330
		<u>10,699,952</u>	<u>10,698,617</u>
Restricted funds excluding pension asset	20	10,699,952	10,698,617
Pension reserve	20	(4,039,000)	(3,154,000)
		<u>6,660,952</u>	<u>7,544,617</u>
Total restricted funds	20	<u>6,660,952</u>	<u>7,544,617</u>
Unrestricted income funds	20	<u>3,922,495</u>	<u>3,858,535</u>
Total funds		<u><u>10,583,447</u></u>	<u><u>11,403,152</u></u>

The financial statements on pages 27 to 62 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

9 December 2021

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10831275

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021



R Abo-Henriksen
Chair of Trustees



P Cozens
Accounting Officer

The notes on pages 32 to 62 form part of these financial statements.

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	22	229,786	616,745
Cash flows from investing activities	23	(25,243)	(16,156)
Change in cash and cash equivalents in the year		204,543	600,589
Cash and cash equivalents at the beginning of the year		3,687,572	3,086,983
Cash and cash equivalents at the end of the year	24, 25	3,892,115	3,687,572

The notes on pages 32 to 62 form part of these financial statements

KEYS CO-OPERATIVE ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy, 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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy, can be reliably measured.

- **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.

- **Donated fixed assets (excluding transfers on conversion or into the Academy)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's accounting policies.

1.4 Expenditure

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FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

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

1.7 Taxation

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

Accordingly, the Academy 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.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. 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 basis over its expected useful life, as follows:

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Long-term leasehold property	- Buildings 2% straight line - land is depreciated over the life of the lease
Furniture and equipment	- 25% reducing balance
Computer equipment	- 3 years straight line
Motor vehicles	- 20% reducing balance

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

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 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.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.12 Liabilities

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

1.13 Financial instruments

The Academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy 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 17. 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 18. 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.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Redundancy costs

Redundancy costs and termination payments are charged to the income statement in the year in which an irrevocable commitment is made to incur the costs.

1.16 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy 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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	50	21,007	-	21,057	15,739
Capital Grants	-	-	242,852	242,852	18,986
Transfer from local authority on conversion	-	-	-	-	2,680
	<u>50</u>	<u>21,007</u>	<u>242,852</u>	<u>263,909</u>	<u>37,405</u>
<i>Total 2020</i>	<u>6,058</u>	<u>12,361</u>	<u>18,986</u>	<u>37,405</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy's educational operations

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants				
General Annual Grant	-	4,090,000	4,090,000	3,890,000
Other DfE/ESFA grants				
Teachers Pay and Pension grants	-	307,714	307,714	320,420
Pupil Premium Grant	-	135,196	135,196	118,363
Other DfE/ESFA grants	-	42,064	42,064	49,081
UIFSM/FSM	-	19,186	19,186	15,880
AWPU reclaims	-	307,028	307,028	1,075,213
	-	4,901,188	4,901,188	5,468,957
Other Government grants				
SEN	-	2,471,808	2,471,808	2,517,691
Other Local Authority	-	182,734	182,734	102,950
Grants from other organisations	-	3,999	3,999	2,250
Referral fees	421,798	-	421,798	-
	421,798	2,658,541	3,080,339	2,622,891
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	98,160	98,160	-
Mass Testing grant	-	53,510	53,510	-
Alternative provision: year 11 transition funding	-	48,868	48,868	-
COVID 19 Exceptional costs funding	-	(15,746)	(15,746)	18,496
	-	184,792	184,792	18,496
	421,798	7,744,521	8,166,319	8,110,344
Total 2020	1,092,713	7,017,631	8,110,344	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The Trust received £98,160 for Catch up premium and costs incurred in respect of this funding totalled £49,612, with the remaining £48,548 to be spent in 2021/22.

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Catering income	5,682	-	5,682	11,255
Other income	19,396	98,773	118,169	32,422
	<u>25,078</u>	<u>98,773</u>	<u>123,851</u>	<u>43,677</u>
<i>Total 2020</i>	<u>43,677</u>	<u>-</u>	<u>43,677</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Bank deposit interest	1,458	1,458	10,544
	<u>1,458</u>	<u>1,458</u>	<u>10,544</u>
<i>Total 2020</i>	<u>10,544</u>	<u>10,544</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Academy trust educational operations					
Direct costs	6,027,165	-	379,686	6,406,851	6,269,095
Allocated support costs	1,641,618	545,009	525,764	2,712,391	2,030,979
	<u>7,668,783</u>	<u>545,009</u>	<u>905,450</u>	<u>9,119,242</u>	<u>8,300,074</u>
<i>Total 2020</i>	<u>7,054,237</u>	<u>387,104</u>	<u>858,733</u>	<u>8,300,074</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Academy trust educational operations	9,119,242	9,119,242	8,300,074
<i>Total 2020</i>	<u>8,300,074</u>	<u>8,300,074</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Academy trust educational operations	6,406,851	2,712,391	9,119,242	8,300,074
<i>Total 2020</i>	<u>6,269,095</u>	<u>2,030,979</u>	<u>8,300,074</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	6,027,165	6,027,165	5,750,142
Educational supplies	344,080	344,080	499,029
Staff development	32,820	32,820	17,228
Other direct costs	2,786	2,786	2,696
	<hr/> 6,406,851 <hr/>	<hr/> 6,406,851 <hr/>	<hr/> 6,269,095 <hr/>
<i>Total 2020</i>	<hr/> <i>6,269,095</i> <hr/>	<hr/> <i>6,269,095</i> <hr/>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Pension finance costs	47,000	47,000	62,000
Staff costs	1,641,618	1,641,618	1,304,095
Depreciation	151,418	151,418	237,700
Technology costs	67,119	67,119	23,066
Recruitment and support	485	485	1,282
Maintenance of premises	405,265	405,265	53,976
Cleaning	58,113	58,113	35,223
Rent and rates	15,653	15,653	19,829
Energy costs	45,124	45,124	34,016
Insurance	9,006	9,006	6,360
Security and transport	106,617	106,617	111,142
Catering	22,476	22,476	20,421
Bank interest and charges	1,416	1,416	(508)
Indirect staff costs	60	60	90
Other support costs	141,021	141,021	122,287
	<u>2,712,391</u>	<u>2,712,391</u>	<u>2,030,979</u>
<i>Total 2020</i>	<u>2,030,979</u>	<u>2,030,979</u>	

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	<i>2020 £</i>
Operating lease rentals	37,217	16,265
Depreciation of tangible fixed assets	151,418	237,700
Fees paid to auditors for:		
- audit	7,700	14,500
- other services	3,950	500
	<u>37,217</u>	<u>16,265</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	5,354,161	5,062,761
Social security costs	503,578	496,636
Pension costs	1,766,190	1,468,350
	<u>7,623,929</u>	<u>7,027,747</u>
Agency staff costs	26,778	26,490
Staff restructuring costs	18,076	-
	<u><u>7,668,783</u></u>	<u><u>7,054,237</u></u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	2,213	-
Severance payments	15,863	-
	<u>18,076</u>	<u>-</u>

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

Included in severance payments is one non-statutory/non-contractual payment of £6,939 (2020 £nil).

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	83	83
Administration and Support	94	84
Management	5	5
	<u>182</u>	<u>172</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Staff (continued)

d. Higher paid staff

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

	2021	<i>2020</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	2	<i>3</i>
In the band £70,001 - £80,000	2	<i>1</i>
In the band £90,001 - £100,000	-	<i>1</i>
In the band £100,001 - £110,000	1	<i>-</i>
	=====	<i>=====</i>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £519,771 (*2020 £453,450*).

12. Central services

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

- Staff costs
- Professional fees
- Computer equipment and licences
- Finance and HR support

The Academy charges for these services on the following basis:

Central service costs are charged on a pro rata basis across the academies in the trust.

The actual amounts charged during the year were as follows:

	2021	<i>2020</i>
	£	<i>£</i>
North East Essex Co-operative Academy	189,426	<i>303,996</i>
Heybridge Co-operative Academy	162,336	<i>230,004</i>
The Endeavour Co-operative Academy	86,376	<i>90,000</i>
Total	=====	<i>=====</i>
	438,138	<i>624,000</i>

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NOTES TO THE FINANCIAL STATEMENTS
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13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. 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:

		2021	2020
		£	£
P Cozens, Chief Executive and Accounting Officer	Remuneration	105,000 -	100,000 -
		110,000	105,000
	Pension contributions paid	20,000 -	20,000 -
		25,000	25,000

During the year, retirement benefits were accruing to 1 Trustees (2020 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2021, expenses totalling £40 were reimbursed or paid directly to 1 Trustee (2020 - £294 to 4 Trustees).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £8,249 (2020 - £6,360). The cost of this insurance is included in the total insurance cost.

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Leasehold improvements £	Total £
Cost or valuation								
At 1 September 2020	5,910,000	4,892,926	25,000	64,433	241,307	7,010	-	11,140,676
Additions	-	-	-	13,292	36,198	-	4,400	53,890
Disposals	-	-	(25,000)	-	-	-	-	(25,000)
Transfers between classes	-	(43,977)	-	-	-	-	43,977	-
At 31 August 2021	5,910,000	4,848,949	-	77,725	277,505	7,010	48,377	11,169,566
Depreciation								
At 1 September 2020	147,350	199,327	25,000	22,289	139,007	3,005	-	535,978
Charge for the year	1,750	66,091	-	11,790	66,688	701	4,398	151,418
On disposals	-	-	(25,000)	-	-	-	-	(25,000)
Transfers between classes	-	(1,171)	-	-	-	-	1,171	-
At 31 August 2021	149,100	264,247	-	34,079	205,695	3,706	5,569	662,396

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Tangible fixed assets (continued)

	Freehold property £	Long-term leasehold property £	Short-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Leasehold improvements £	Total £
Net book value								
At 31 August 2021	5,760,900	4,584,702	-	43,646	71,810	3,304	42,808	10,507,170
At 31 August 2020	5,762,650	4,693,599	-	42,144	102,300	4,005	-	10,604,698

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2021 £	2020 £
Freehold land	3,425,000	3,425,000
Long-term leasehold land	2,491,632	2,512,224
	<u>5,916,632</u>	<u>5,937,224</u>

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15. Tangible fixed assets (continued)

The occupation of the land and buildings at one of the school sites is currently based on a short term lease. The expectation is that, in the long term, this will convert to a long term leasehold basis of ownership.

For the year ended 31 August 2021, it was not necessary to recognise a fixed asset for this site. There is only a peppercorn rent and thus no value of financial commitment to the short term lease was necessary for Note 28 - operating lease commitments.

Trust schools included in long-term leasehold property occupy premises under 125 year leases at a peppercorn rent with the local authority.

The short term leasehold property was in relation to a licence to occupy, which ended during the year.

16. Stocks

	2021	2020
	£	£
Finished goods and goods for resale	713	568

17. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	164,403	147,906
Other debtors	1,187	-
Prepayments and accrued income	157,991	147,151
Tax recoverable	21,426	130,103
	<u>345,007</u>	<u>425,160</u>

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18. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	61,373	52,548
Other creditors	3,747	1,730
Accruals and deferred income	57,438	106,568
	122,558	160,846
	2021 £	2020 £
Deferred income at 1 September 2020	16,715	638
Resources deferred during the year	13,750	16,715
Amounts released from previous periods	(16,715)	(638)
	13,750	16,715

19. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	187,016	278,007
Financial assets measured at fair value through income and expenditure	3,892,115	3,687,572
	4,079,131	3,965,579
	2021 £	2020 £
Financial liabilities		
Other financial liabilities measured at fair value through income and expenditure	108,808	160,843
	108,808	160,843

Financial assets measured at fair value through income and expenditure comprise bank and cash balances.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Other financial liabilities measured at fair value through income and expenditure comprise trade creditors, accruals and other creditors.

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20. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds - all funds	3,858,535	448,384	-	(384,424)	-	3,922,495
Restricted general funds						
General Annual Grant	66,123	4,090,000	(3,298,322)	(795,520)	-	62,281
Pupil Premium	20,207	135,196	(83,941)	-	-	71,462
COVID catch up	-	98,160	(49,512)	-	-	48,648
Other						
DFE/ESFA	-	675,992	(675,992)	-	-	-
LA grants	-	2,658,541	(2,658,541)	-	-	-
Other restricted	-	206,412	(206,412)	-	-	-
Central fund	-	-	(977,104)	977,104	-	-
Pension reserve	(3,154,000)	-	(1,018,000)	389,000	(256,000)	(4,039,000)
	(3,067,670)	7,864,301	(8,967,824)	570,584	(256,000)	(3,856,609)
Restricted fixed asset funds						
Inherited fixed assets	10,357,200	-	(117,416)	106,476	-	10,346,260
DfE/EFSA Capital grants	86,459	242,852	-	(318,920)	-	10,391
Assets purchased from GAG	168,628	-	(34,002)	26,284	-	160,910
	10,612,287	242,852	(151,418)	(186,160)	-	10,517,561
Total Restricted funds	7,544,617	8,107,153	(9,119,242)	384,424	(256,000)	6,660,952
Total funds	11,403,152	8,555,537	(9,119,242)	-	(256,000)	10,583,447

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FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

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

The General Annual Grant restricted fund includes all restricted GAG income funding from the ESFA to cover the costs of recurrent expenditure.

Pupil Premium restricted fund represents funding received to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

Local Authority grants includes Special Educational Needs (SEN) which represents allocated funding for special education needs pupils.

The pension reserve represents the deficit on the LGPS pension scheme.

The restricted fixed asset fund represents the cost or valuation of fixed assets held by the academy trust and any unspent capital grant funding. Additions acquired during the year will form part of this fund.

Devolved Formula Capital (DFC) is used to maintain and improve the Trust's buildings and facilities.

Condition Improvement Fund (CIF) represents grants received or receivable for building and capital projects and their associated costs.

During the year £186,160 was transferred from restricted fixed asset reserve to restricted funds. This is capital funding supporting revenue expenditure.

Unrestricted funds are those arising from unrestricted activities and can be applied for any purpose.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

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

	<i>Balance at 1 September 2019</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 August 2020</i>
	£	£	£	£	£	£
Unrestricted funds						
General Funds - all funds	3,450,687	1,152,992	(745,144)	-	-	3,858,535
Restricted general funds						
General Annual Grant	-	3,890,000	(3,566,235)	(257,642)	-	66,123
Pupil Premium	19,859	118,363	(118,015)	-	-	20,207
Other DfE/ESFA	-	387,997	(387,997)	-	-	-
LA grants	-	2,533,571	(2,533,571)	-	-	-
Other restricted	-	100,061	(100,061)	-	-	-
Central fund	-	-	(621,495)	621,495	-	-
Pension reserve	(3,410,000)	-	(735,000)	347,000	644,000	(3,154,000)
	<u>(3,390,141)</u>	<u>7,029,992</u>	<u>(8,062,374)</u>	<u>710,853</u>	<u>644,000</u>	<u>(3,067,670)</u>
Restricted fixed asset funds						
Inherited fixed assets	10,591,817	-	(234,617)	-	-	10,357,200
DfE/EFSA Capital grants	67,473	18,986	-	-	-	86,459
Assets purchased from GAG	137,420	-	(3,083)	34,291	-	168,628
	<u>10,796,710</u>	<u>18,986</u>	<u>(237,700)</u>	<u>34,291</u>	<u>-</u>	<u>10,612,287</u>
Total Restricted funds	<u>7,406,569</u>	<u>7,048,978</u>	<u>(8,300,074)</u>	<u>745,144</u>	<u>644,000</u>	<u>7,544,617</u>
Total funds	<u><u>10,857,256</u></u>	<u><u>8,201,970</u></u>	<u><u>(9,045,218)</u></u>	<u><u>745,144</u></u>	<u><u>644,000</u></u>	<u><u>11,403,152</u></u>

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20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Central fund	(191,386)	19,778
Heybridge Co-operative Academy	2,402,408	2,419,153
North East Essex Co-operative Academy	1,535,197	1,147,679
The Endeavour Co-operative Academy	358,667	358,255
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	4,104,886	3,944,865
Restricted fixed asset fund	10,517,561	10,612,287
Pension reserve	(4,039,000)	(3,154,000)
	<hr/>	<hr/>
Total	10,583,447	11,403,152

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Central fund	(191,386)
	<hr/>

The Academy is taking the following action to return the academy to surplus:

The deficit on Central funds will be addressed by a recovery plan to provide an additional £66,000 per annum from the other academies over the next three years.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

20. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Central fund	229,721	397,647	5,616	344,120	977,104	621,786
Heybridge Co-operative Academy	2,245,462	350,577	152,692	281,658	3,030,389	2,666,610
North East Essex Co-operative Academy	2,204,297	472,628	134,933	184,747	2,996,605	2,955,119
The Endeavour Co-operative Academy	1,347,685	420,766	86,625	108,650	1,963,726	1,818,859
Academy	6,027,165	1,641,618	379,866	919,175	8,967,824	8,062,374

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	10,507,170	10,507,170
Current assets	3,922,495	304,949	10,391	4,237,835
Creditors due within one year	-	(122,558)	-	(122,558)
Provisions for liabilities and charges	-	(4,039,000)	-	(4,039,000)
Total	3,922,495	(3,856,609)	10,517,561	10,583,447

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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	10,604,698	10,604,698
Current assets	3,869,420	236,291	7,589	4,113,300
Creditors due within one year	(10,885)	(149,961)	-	(160,846)
Provisions for liabilities and charges	-	(3,154,000)	-	(3,154,000)
Total	3,858,535	(3,067,670)	10,612,287	11,403,152

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(563,705)	(98,104)
Adjustments for:		
Depreciation	151,418	237,701
Capital grants from DfE and other capital income	(27,189)	(18,986)
Interest receivable	(1,458)	(10,545)
Defined benefit pension scheme cost less contributions payable	629,000	388,000
Increase in stocks	(145)	(90)
Decrease in debtors	80,150	264,439
Decrease in creditors	(38,285)	(145,670)
Net cash provided by operating activities	229,786	616,745

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23. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	1,458	10,545
Purchase of tangible fixed assets	(53,890)	(45,687)
Capital grants from DfE Group	27,189	18,986
Net cash used in investing activities	(25,243)	(16,156)

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	3,892,115	3,687,572
Total cash and cash equivalents	3,892,115	3,687,572

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	3,687,572	204,543	3,892,115
	3,687,572	204,543	3,892,115

26. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	-	212,847
	-	212,847

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27. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £805,022 (2020 - £569,668).

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £487,000 (2020 - £437,000), of which employer's contributions totalled £389,000 (2020 - £347,000) and employees' contributions totalled £ 98,000 (2020 - £90,000). The agreed contribution rates for future years are 23.2% to 25.0% per cent for employers and 5% to 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

	2021	<i>2020</i>
	%	%
Rate of increase in salaries	3.9%	3.25%
Rate of increase for pensions in payment/inflation	2.90%	2.25%
Discount rate for scheme liabilities	1.65%	1.6%
Inflation assumption (CPI)	2.9%	3.05%
Commutation of pensions to lump sums	50%	50%

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

	2021	<i>2020</i>
	Years	Years
<i>Retiring today</i>		
Males	21.6%	21.8%
Females	23.6%	23.8%
<i>Retiring in 20 years</i>		
Males	22.9%	23.2%
Females	25.1%	25.2%

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

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	194	144
Discount rate -0.1%	(199)	(147)
Mortality assumption - 1 year increase	(302)	(206)
Mortality assumption - 1 year decrease	291	199
CPI rate +0.1%	(20)	(16)
CPI rate -0.1%	20	16

Share of scheme assets

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

	2021 £	2020 £
Equities	2,294	1,547
Gilts	90	107
Corporate bonds	167	140
Property	250	195
Cash and other liquid assets	100	68
Alternative assets	398	290
Other managed funds	285	151
Total market value of assets	3,584	2,498

The actual return on scheme assets was £625,000 (2020 - £72,000).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(796,000)	(673,000)
Past service cost	(173,000)	-
Interest cost	(47,000)	(62,000)
Administrative expenses	(2,000)	-
Total amount recognised in the Statement of financial activities	(1,018,000)	(735,000)

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27. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	5,652,000	5,958,000
Current service cost	796,000	673,000
Interest cost	91,000	114,000
Employee contributions	98,000	90,000
Actuarial losses/(gains)	837,000	(1,141,000)
Benefits paid	(24,000)	(42,000)
Past service costs	173,000	-
At 31 August	7,623,000	5,652,000

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

	2021 £	2020 £
At 1 September	2,498,000	2,548,000
Interest income	44,000	52,000
Actuarial gains/(losses)	581,000	(497,000)
Employer contributions	389,000	347,000
Employee contributions	98,000	90,000
Benefits paid	(24,000)	(42,000)
Administrative expenses	(2,000)	-
At 31 August	3,584,000	2,498,000

28. Operating lease commitments

At 31 August 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	25,616	26,767
Later than 1 year and not later than 5 years	1,932	20,581
	27,548	47,348

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29. Members' liability

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

30. Related party transactions

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

Learning Pathways Trust (LPAT) - a Trust in which S Whitfield (Member) is a Trustee:
For the year ending 31 August 2021 the Keys Co-Operative Academy Trust incurred costs from LPAT totalling £5,500.
There were no balances outstanding at the year end.

North Essex Multi Academy Trust (NEMAT) - a Trust in which R Abo-Henriksen was also a Trustee, until NEMAT joined Bridge MAT in April 2021:
For the year ending 31 August 2021, up until the transfer to Bridge Academy Trust, the Keys Co-Operative Academy Trust received income totalling £20,501 in acting as a pupil referral unit. Keys Co-Operative Academy Trust incurred costs from NEMAT totalling £2,500, over the same period.
There were no balances outstanding at the year end.

The transactions were conducted at arms' length on the same commercial terms as other Academies using the Keys Co-Operative Academy Trust.
In entering into these transactions the trust has complied with the requirements of ESFA's Academies Financial Handbook.

During the year, Joseph and Joshua Chadwick, sons of Mr John Chadwick, a member of the senior management team, were employed by the trust in a teaching role and a premises role.
Both sons were in post before the school joined the Trust and are paid within the normal pay scale for their role.