

---

**COMMUNITY INCLUSIVE TRUST**

(A company limited by guarantee)

---

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**CONTENTS**

---

	Page
<b>Reference and administrative details</b>	1 - 2
<b>Chairman's statement</b>	3 - 4
<b>Trustees' report</b>	5 - 21
<b>Governance statement</b>	22 - 26
<b>Statement on regularity, propriety and compliance</b>	27
<b>Statement of Trustees' responsibilities</b>	28
<b>Independent auditors' report on the financial statements</b>	29 - 33
<b>Independent reporting accountant's report on regularity</b>	34 - 35
<b>Statement of financial activities incorporating income and expenditure account</b>	36 - 37
<b>Balance sheet</b>	38 - 39
<b>Statement of cash flows</b>	40
<b>Notes to the financial statements</b>	41 - 77

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS**

---

<b>Members</b>	P Boucher S Paley J Jackson S Moore (resigned 19 April 2021) I Burford
<b>Trustees</b>	S Hopkins, Chair of Trustees K Weekes K Goodman L McClements S Maycock P Bell, Chief Executive and Accounting Officer (resigned 21 July 2021) R Sharpe K Rouse K Platts H Drew-Bradley J Storey (resigned 21 April 2021) B Steele J Lindley-Baker (appointed 1 September 2021)
<b>Company registered number</b>	09071623
<b>Company name</b>	Community Inclusive Trust
<b>Principal and registered office</b>	Poplar Farm School Helmsley Road Grantham Lincs NG31 8XF
<b>Chief executive officer</b>	P Bell
<b>Senior leadership team</b>	P Bell, CEO C Buffham, Director of Education (Special Educational Needs) P Hill, Director of Education (Mainstream Primary) M Allbones, Chief Financial Officer D Bland, Director of Governance and Operations A White, Director of People and Performance S Scott, Director of Human Resources
<b>Independent auditors</b>	Streets Audit LLP Windsor House A1 Business Park at Long Bennington Notts NG23 5JR

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**Bankers**                   Lloyds Bank PLC  
42 St Peters Hill  
Grantham  
Lincs  
NG31 6QF

**Solicitors**               Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**CHIEF EXECUTIVE OFFICER'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

---

The Chief Executive Officer presents his statement for the year.

Successes:

The academic year 2020/2021 has continued to be like no other in my thirty years within education. The staff, pupils and Head Teachers across our schools have faced challenges no-one would have imagined two years ago. All have risen to the obstacles presented by Covid and in many cases surpassed all expectations. In particular, I want to highlight the extraordinary efforts undertaken by the Head Teachers and Senior Leadership Teams within schools. Not only have they had to introduce a whole new way of delivering education through remote learning, but they have had to set up testing centres, provide and deliver meals across Lincolnshire and Leicestershire, support staff, families and pupils through the anxieties of the pandemic. Simultaneously, they have had to continue effective education and care with constantly changing resources available to them. The central team and the directors of education have given their support to the above processes.

The Directors of Education and Safeguarding have also continued to quality assure to the best of their abilities under the circumstances the education and care offered to our pupils. All schools across the Trust now have in place a curriculum in line with the new Ofsted framework and we await the first inspection of a C.I.T. school since the resumption of inspections by Ofsted in the coming months.

During the pandemic C.I.T. has opened a special Free School within Leicestershire, Foxfields Academy. Anecdotally this was one of the fastest from sign-off by the DfE to opening on record. I would like to thank the Director of Governance and Operations, the Estates Manager, the Head Teacher, ICT team and all others involved in this amazing feat during such difficult times. In partnership with Lincolnshire County Council, Boston Endeavour Academy opened its doors in September. This is a complete rebuild, tripling of capacity and relocation of the previous school, John Fielding. Once again, thank you and well done to all those involved in laying the foundations literally through to the opening of the doors in September 2021.

Linchfield Primary School joined C.I.T. as a sponsored academy in September 2020. The newly appointed Head Teacher at Linchfield through her hard work has risen through the ranks at C.I.T. Initially she was assistant head at Isaac Newton followed by her appointment as head teacher at Caythorpe Primary School, one of our smaller primary schools at just over 100 pupils. Her current appointment at Linchfield meets the needs of over 450 pupils. I would like to congratulate her on this journey and all those that have supported her professional development over the years.

I am delighted to share that Priory School, Spalding has been selected as one of the 50 schools across England to either have a complete refurbishment or re-build over the next two years. One of the major driving factors of this successful selection was Priory's Outstanding Ofsted inspection from February 2020. Finally, but not least, C.I.T, led by the Director of Education and supported by the bids team, was successful in their bid to open a primary and nursery school in Bingham, Nottinghamshire. The build has already started, and the school is due to open in September 2022.

Challenges:

No doubt, the COVID-19 pandemic has been our biggest challenge. Despite the ever-changing advice and statutory guidance given by the Government to manage the pandemic, all staff have risen to this challenge admirably. As CEO, and on behalf of the Trust Board and myself, I would like to give a special thank you to the Director of Education – Special, for constantly staying abreast of the latest guidance and supporting C.I.T. in keeping its pupils and staff safe within the rules set out by the Government.

Aside from the pandemic,, the managing of reducing budgets to meet the needs of our pupils continues to be a challenge. However because of the engagement of the schools and hard work of the Finance Team across the Trust, I am pleased to say that C.I.T. has finished the financial year with only a small in-year revenue deficit.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**CHIEF EXECUTIVE OFFICER'S REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

---

.....  
P Bell  
Date: 15 December 2021

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

---

The C.I.T. Board of Trustees present their annual report together with the financial statements and auditors' 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.

At Community Inclusive Trust (C.I.T.) we continue to grow, primarily through the successful conversion of schools into the Trust. The most recent school to convert into the Trust was Linchfield Community Primary School, in Deeping St James. Also, in this period, we vigorously pursued the Free School opening work for Foxfields Academy in Leicestershire. Both schools joined the Trust on the 1 September 2020.

We have started Free School opening work for Bingham Academy in Nottinghamshire.

As at 31 August 2021 The Trust comprised of the following schools and GAG funded pupils on roll:

- Ambergate Sports College (151)
- Sandon School (85)
- Isaac Newton Primary School (416)
- The Garth School (59)
- The Priory School (136)
- John Fielding Special School (64)
- The Woodlands Academy (74)
- Chapel St Leonards Primary School (142)
- Caythorpe Primary School (106)
- Greenfields Academy (75)
- Poplar Farm Primary School (164)
- St Paul's Community Primary School (201)
- Linchfield Primary School (335)
- Foxfields Academy (17)

The Community Inclusive Trust (C.I.T) currently has 14 academies across the East Midlands. C.I.T is a multi-academy chain that challenges and supports its academies to provide the highest levels of education and care for their pupils.

The Trust was formed in 2014, founded by two outstanding schools, Grantham Additional Needs Fellowship (GANF) – Ambergate Sports College and Sandon School. The Trust now consists of 6 primary schools (plus another opening in 2022), 8 special schools (plus another opening in 2023), and a Teaching Centre – LEARN.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

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

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

The Trustees of Community Inclusive Trust are also the directors of the charitable company for the purposes of company law.

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

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Members' liability**

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

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Company's expense to cover the liability of the Trustees which, by virtue of any rule of law, would otherwise attach them regarding any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Company. Provided that any such insurance shall not extend to:

- i. Any claim arising from any act or omission which Trustees knew to be a breach of trust or breach of duty of which was committed by the trustees in reckless disregard as to whether it was a breach of trust or breach of duty or not, and
- ii. The costs of any unsuccessful defence to a criminal prosecution brought against the trustees in their capacity as directors of the Company. Further, this Article does not authorise a trustee to benefit from any indemnity insurance that would be rendered void by the provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

**Method of recruitment and appointment or election of Trustees**

Under the Articles of Association, the Members may appoint up to 9 trustees through such a process as they may determine. The trustees may appoint co-opted trustees through such a process as they may determine. The total number of trustees including the Chief Executive Officer, who are employees of the Company shall not exceed one third of the total number of Trustees. The term of office for any trustee shall be four years save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected. The trustees have set up procedures that will enable regular reviews of the mix of skills and experience that should be available to the board. New trustees are then sought with these skills as replacements when existing trustees stand down. It is anticipated that most new Trustees will be drawn from the local community or other who have shown interest in the future wellbeing of the Trust, the Academies within the Trust and the pupils. Recruitment is through a combination of approaches to individuals with known skills, via wider communications to those within the East Midlands, and through Academy Ambassadors.

**Policies adopted for the induction and training of Trustees**

We detail induction procedures of members and trustees within the Trust Board (Members & Trustees) Recruitment Flowchart. We provide trustees with safeguarding training under CIT's Safeguarding Training Plan.



---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Organisational structure**

The C.I.T. Board of Trustees has responsibility for setting and monitoring the overall strategic direction of the Trust and its Academies, for holding the CEO to account for the performance of the trust and its academies and, for the overview and assurance of the work of the trust.

Subject to the Articles of Association, the Trustees may regulate their proceedings as they see fit in order to discharge their duties as trustees. The trust board holds at least three meetings in every school year. The trust utilises electronic communications and virtual groups in order to maintain progressive working practice and efficiency.

A scheme of delegation is in place, which devolves some powers and responsibilities to senior members of staff as well as local school boards of each academy. The scheme of delegation is reviewed at least annually by the Trust Board and amended as necessary.

Each C.I.T. academy has a local school board which operates within terms of reference which document and define the objectives and the scope of the responsibilities they undertake on behalf of the trust board.

The Chief Executive Officer is the Accounting Officer and works closely with the other trustees, the local school boards and senior members of staff to ensure the trust achieves its objectives.

Day-to-day management of the trust rests with the Chief Executive Officer (CEO) who holds overall responsibility. The CEO is responsible for establishing an Executive Leadership Team (ELT), which includes certain senior members of staff within the Trust. The ELT maintains C.I.T.'s strategic direction, as well as achieving operational effectiveness. In addition, we have established an educational standards team which includes both Directors of Education, academy head teachers, deputy head teachers and assistant head teachers. Through C.I.T.'s established School Health Check Process, the educational standards team considers and evaluates the performance of C.I.T. schools and reports on teaching and learning effectiveness. The team also considers the aims and priorities for raising standards of achievement.

The CEO has delegated authority to appoint, discipline and dismiss, except for the most senior members of staff for whom the C.I.T. Board of Trustees holds authority. We delegate financial authority in line with the C.I.T. Scheme of Delegation, the financial management policy and financial operating procedures handbook. The trust board review the scheme of delegation, the financial management policy and financial operating procedures handbook at least every year to ensure they meet the provisions of the Academy Trust Handbook, as well as support operational functionality. We conducted financial and business decisions in line with the Academies Financial Handbook 2020 and in accordance with the trust policy and best practice.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Arrangements for setting pay and remuneration of key management personnel**

C.I.T established the C.I.T. Remuneration, Performance Management and Nominations Committee in order to set the pay and performance conditions of the CEO and other senior members of staff. The CEO was the only staff trustee who was remunerated, and only received remuneration in respect of services provided under his contract of employment and not in respect of his role as Trustee which he resigned from on 21 July 2021.

For all staff, their remuneration package is subject to the C.I.T. Pay Policy. Currently, the teachers' statutory pay and conditions are used to benchmark teaching and senior teaching staff, with exceptions being approved by the Trust Board. All staff undergo an annual performance appraisal. We link this to any performance related pay awards. For non-teaching staff, the Trust uses Lincolnshire salary structure. Central staff are remunerated within their given salary range.

The C.I.T. Board of Trustees is mindful of the charitable status of the trust and recognises the fact the trust receives funding under a funding agreement with the Secretary of State for Education. Therefore, through benchmarking, we ensure the remuneration paid to senior leaders never exceeds a reasonable amount that provides value for money for the trust.

An essential car allowance is in place for several senior members of staff for their particular role.

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	<b>3</b>
Full-time equivalent employee number	<b>3</b>

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	<b>3</b>
1%-50%	-
51%-99%	-
100%	-

<b>Percentage of pay bill spent on facility time</b>	<b>£</b>
Total cost of facility time	-
Total pay bill	<b>18,864,222</b>
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

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

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Related parties and other connected charities and organisations**

Community Inclusive Trust takes seriously its obligations to remain transparent at all times. We require all personnel to disclose any personal and pecuniary relationships annually, as well as when an event becomes notifiable.

**Engagement with employees (including disabled persons)**

The Community Inclusive Trust values the views and opinions of all employees. We routinely shared information with staff via the C.I.T. staff intranet and regular newsletters. We communicate important information regarding matters of concern to employees directly via email or via the Head of each school and delivered at staff meetings, morning briefings or debriefs.

We have recently developed a staff wellbeing and workload survey and this has rolled out to all staff within the trust. The purpose of the survey is to assess overall employee wellbeing and provide an opportunity for employees to give feedback about how the trust is managed and give opinions of their work life balance. We also encouraged employees who leave the trust to complete an exit interview. The information from these processes is collated and will be used to shape the future decision making of the trust.

- C.I.T. shares their vision and ethos with all employees on the website, during training sessions and inset days.
- C.I.T. provides a fair and equal opportunity to work within the trust and are fully committed to providing a fair recruitment process for all potential candidates. C.I.T. is dedicated to providing employment for disabled people. This means we will not unfairly discriminate against a candidate with a disability or an employee that becomes disabled whilst working for the trust.

C.I.T. publicises this commitment through becoming a two tick disability symbol user. This standard relates to the way we treat disabled candidates and employees, supporting disabled people to work and stay at work. We guarantee an interview for any disabled person who meets the essential criteria on the person specification for that role.

We operate an operational health referral scheme which will assess the needs and requirements of employees with a disability. This is intended to identify and recommend any potential adjustments that can be made to working environments or terms and conditions to support our staff.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Engagement with suppliers, customers and others in a business relationship with the Academy**

In the 12-month period September 2020 to August 2021 C.I.T. went through a second year of unprecedented upheaval. April 2020 saw the start of the COVID-19 pandemic, which resulted in remote working for the whole central team and a large portion of school support staff for the majority of the 2020 / 2021 academic year. We faced similar challenges to those experienced during the previous year to continue the education of our pupils and maintain effective communication with suppliers. Staff self-isolating and schools and office closures made this challenging.

September 2020 saw the re-purposing of the Financial Analyst into the role of Procurement and Analytics Manager and the launch of a strategic procurement plan. This was to enable the Trust to better manage contracts and suppliers and to look at spend analysis to help realise economies of scales while increasing quality of goods and services. We continuously reassessed all areas that were planned to be investigated and worked on from September 2020, considering the effects of the pandemic and assessing other priorities presenting themselves.

Several suppliers remain in place looking after Trust wide services with the following in place:

- Annual face to face meetings with Account Managers (PSF and ESPO) were held on line at the start of the academic year to foster continued good relations, negotiate prices, discounts and contracts that best suited the Trust,
- Monthly data sent for analytics of spend and usage,
- Annual product reviews of goods and services required to maintain high levels of quality.

We will re-evaluate the strategic procurement plan for C.I.T that was implemented September 2020 throughout its second year. The ELT and board continuously reviews the needs of the Community Inclusive Trust family of schools as it continues to build on relationships already in place and the creation of new ones. Better relations increase a suppliers' feeling of personal investment in the trust which brings personal touches and gratis work as they work with us on our vision "to make the Community Inclusive Trust a MAT of opportunity, of quality, of value, where young people are happy, healthy and achieving".

We implemented the following between September 2020 to August 2021 in order to increase the engagement and continue to cultivate better relations between schools, suppliers and the central hub:

- Consolidation of a centralised contracts register in order to facilitate smoother working relationships and promote earlier end of contract life engagement reducing the number of contracts rolling over.
- The Procurement and Analytics Manager started a limited series of actions working towards relationship building with supplier Account Managers,
- Annual virtual meetings. These will be replaced with face to face meetings in 2021/22.,
- Termly virtual meetings with Account Managers to discuss how suppliers have performed over the four previous months with regards to; services, quality and performance,
- Monthly information / data analytics reviews, quarterly service level feedback, bi-annual reports, annual service and contract reviews with all major suppliers. These are being agreed at the onset of new contracts and SLA's,
- Formal tenders for all areas of spend of £50k or more (one off or contractual spend) in line with FTS and UK Legislation for public sector procurement.

It is important to note that due to Brexit the UK and as a result C.I.T. is no longer beholden to OJEU. OJEU was replaced from 1 January 2021 with the UK Government FTS Portal (Find a Tender Service).

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

We plan the following to be implemented during the first 6 months of the following academic year on completion of the above;

- Annual completion of Declaration of Business and Pecuniary Interest forms by suppliers for suppliers that receive more than a one off or contractual spend of £10k via an online form in accordance with the Trust's drive to be more environmentally friendly and reduce paper usage / waste.
- Approved supplier list to evolve from the consolidated supplier list for suppliers that receive more than a one off or contractual spend of £10k. This is to ensure suppliers adhere to the following Trust Policies and statements;
  - o Ethical Procurement,
  - o Anti-Money Laundering,
  - o Modern Day Slavery,
  - o Work place equality,
  - o Section 36 of the Staff Handbook concerning Equal Opportunities,
  - o Environmental Statement
- Compliance with the freedom of information act for public sector procurement.
- Contract and Supplier information to be imported on to the Every Compliance Software for ease of access and to provide additional support.

All the above are designed to engage the supplier in open discussions, encourage free movement of information that is not to the detriment of the Trust, encourage ownership of mistakes for mutual beneficial resolutions, highlight areas of high achievement and quality and be honest about requirements from the outset of relations.

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

Community Inclusive Trust (C.I.T) is an education charity and not-for-profit sponsor of mainstream primary schools and special needs schools across the East Midlands. Our schools enhance the education provision of the community they serve and improve the life chances of the pupils who attend C.I.T's schools.

We strive to be experts in our respective fields, in order to create a first-class infrastructure that supports and drives the highest standards in education and care. We provide the most enriching educational environment for all of our community to enable outstanding lifelong learning.

Our collective endeavour is to be an organisation that:

- Is recognised as a Centre of Excellence for **inclusive community education for learners** with a broad range of needs, aptitudes and ambitions.
- Supports and challenges a balanced community of schools and provision so that they can secure the **very best quality of education and care** for all children and young people.
- Has a **“Central Hub” that is strategic** and provides schools with **expertise and advice**.
- Provides all staff and Governors opportunities for personal and professional growth, career enhancement and a sense of worth.
- Is **operationally efficient and structurally fit for purpose** so that financial and other resources drive the highest level of achievement and care across C.I.T.
- Is **able to keep pupils and staff safe**.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**OBJECTIVES AND ACTIVITIES (continued)**

**Objectives, strategies and activities**

To meet C.I.T.'s objectives and aims, the following strategic priorities for 2020/21 have been approved:

**Leadership:** To foster and enhance a Governance and Leadership structure that drives "Lifelong Learning".

**Standards:** To ensure C.I.T. has the capacity to be self-supporting, with the educational expertise which can lead and challenge its own schools to deliver outstanding education and ensure exemplar safeguarding practice.

**Engagement:** To ensure C.I.T. has a reputation for being an efficiently operating organisation that provides outstanding provision and a Trust Dividend for its schools and staff, which is not only respected and trusted by the community C.I.T. serves, but allows C.I.T. to drive and influence policy locally and nationally.

**Support Hub:** To progress towards an annual turnover of at least £30 million, which generates economies of scale that allow the Central Support Hub to be financially efficient, support growth and provide high quality services that are valued and trusted by the community and schools they serve.

**Enterprise:** To expand C.I.T.'s operation across the East Midlands with a mixture of inclusive mainstream and special schools and for LEARN to further develop its resource and direct it internally and externally to drive "lifelong learning for all" and enhance C.I.T.'s reputation.

**Public benefit**

The C.I.T. Board of Trustees has taken The Charity Commission's specific guidance on public benefit (contained within the guidance document 'The Advancement of Education for the Public Benefit') into consideration in preparing their Statement on Regularity, Propriety and Compliance contained within this Annual Report.

Under its charitable objectives, the charitable company strives to advance the education of the students attending the Academies within the Trust. The charitable company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Academies within the Trust.

In order to determine whether the charitable company has fulfilled its charitable objectives for public benefit, the trustees gather evidence of the success of each academy within the Community Inclusive Trust activities.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRATEGIC REPORT**

**Achievements and performance**

Monitoring Support and Challenge

In 2020/2021 C.I.T. has maintained its track record for School Improvement. All schools that have been inspected by Ofsted have maintained or improved their grading. The current gradings are as follows:

<b>School</b>	<b>School Type</b>	<b>Ofsted Grade</b>
Ambergate	Special	Outstanding
Caythorpe	Primary - mainstream	Good
Chapel St Leonards	Primary - mainstream	No designation - sponsored
Foxfields	Primary - mainstream	No designation - free school
Garth	Special	Outstanding
Greenfields	Special	Good
Isaac Newton	Primary - mainstream	Good
John Fielding	Special	Good
Linchfield	Primary - mainstream	No designation - sponsored
Poplar Farm	Primary - mainstream	No designation - free school
Priory	Special	Outstanding
Sandon	Special	Outstanding
St Paul's	Primary - mainstream	No designation - sponsored
Woodlands	Special	Outstanding

As a Trust we are exceptionally proud of the grades that each school has achieved. This reflects the hard work, commitment and strategic planning of school leaders, staff, local school boards, parents and, most importantly, pupils. The Trust's own moderation of the schools has matched that of Ofsted showing that the internal evaluation methods are accurate.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

**Key performance indicators**

Because of the diversity of the academies and pupils within C.I.T., we measure KPI's through a variety of activities and data. This includes the Trust's annual health check of all its Academies which reviews quality of teaching, learning and assessment, personal development behaviour and welfare, outcomes for pupils and effectiveness of leadership and management, Ofsted reports, exam data, NEET Schools, internal school progress measures, performance management, lesson observations and learning walks. There is also a separate safeguarding health check:

- Pupils to achieve targets and to ensure all measures are rapidly increasing to, or, above the national averages.
- Students to be provided with a curriculum to maximise their progress towards qualification success, further study and employability
- Ensure that the curriculum offer has clear hierarchical objectives, maintains breadth and increase rates of progress

Statutory Results

Owing to the COVID-19 pandemic the trust cannot report the following:

- KS2 SATs results
- KS1 SATs results
- Times table results
- Phonics results
- EYFS Good Level of Development statistics

COVID-19 Impact and Response

Whilst all C.I.T. schools remained open to vulnerable and key worker children during the National Lockdown there has been a significant impact on the progress that pupils are making. The C.I.T. schools' quick response to the crisis mitigating the lost learning and potential safeguarding issues in the following ways:

- Guidance was followed and all schools opened to key worker and vulnerable children throughout – many staying open through school holidays
- Communication with homes was established rapidly such that work could be provided for all pupils. This has evolved as schools returned in full in September – each school will have a distance learning plan by the end of September clarifying the measures to be taken should children miss school because of COVID-19
- Headteacher meetings for mainstream and special Heads were established immediately allowing best practice to be shared and creating a moderation process for measures put into place
- Risk assessments were created and signed off by the trustees for each school
- Mainstream schools welcomed back pupils in Year 6, 2 and EYFS on the date set by the government
- Training was put into place to ensure that staff understood the protocols for their return
- Training to ensure that staff understood ways in which to aid pupils with their wellbeing was created prior to the pupils full return
- Protocols were swiftly established such that families of vulnerable pupils were always in contact with school and risk was assessed in partnership with social services
- COVID-19 logs were established so that the central team and trustees were able to monitor any changes or breaches in protocol



---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

**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.

**Promoting the success of the company**

The Companies Act 2006 requires that directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct

The trustees have fulfilled these duties through various actions, including the appointment of the CEO, establishing a clear scheme of delegation, holding the executive team members to account for their actions and decisions through trust board and committee meetings, visiting schools to engage with staff and pupils and experience the school environment, engaging with stakeholders at the Department for Education through formal meetings and review and challenge of the strategic plan and other strategic and operational improvement plans.

**Financial review**

Most of C.I.T's income comes from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities. The Trust also receives a significant amount of funding from Lincolnshire County Council, its local authority.

During the year, the total income being recurrent and other grant funding from the ESFA and other incoming resources were in excess of total expenditure. The excess of income over expenditure for the period was £148,725, after costs relating to the restatement of the LGPS deficit of £1,717,000 and conversion of schools into the trust of £11,257,649.

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £18,892,000.

The Trust held fund balances at 31 August 2021 of £41,568,136, comprising £135,219 of restricted funds, a fixed asset reserve of £59,196,578, a pension reserve deficit of £18,892,000 and £1,128,339 of unrestricted general funds.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**STRATEGIC REPORT (continued)**

**Reserves policy**

The Trustees Policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the Trust and to fund future projects. The Trustees will ensure that the levels of reserves that can be carried forward at the end of the financial year will be in line with the guidance received from the DfE on the treatment of GAG income and other grants. C.I.T. will try to match income with expenditure in the current year and will only carry forward reserves that it considers are necessary for future year's expenditure having regard for:

1. Forecasts of levels of income in future years
2. Forecasts for expenditure in future years
3. Analysis of any future development needs and opportunities that could not be met out of annual income
4. Analysis and forecasts of cash flow and fund management

The Trust intends to build up a prudent level of reserves over a period of time and will review the reserves level annually. The target level of reserves is a minimum of 3.5% of the gross income of the schools within the Trust, approximately £850k, with an aim to increase this to 5% over the next 3 years. This policy is reviewed annually, to ensure it does not unnecessarily limit the amount spent on educational activities, whilst ensuring the Trust's solvency and its future activities are not at risk.

The Trust's reserves comprise both unrestricted and restricted funds. As at 31 August 2021, the funds held in Unrestricted Reserves were £1,128,339 and Restricted Revenue Reserves totalled £135,219. A further £59,196,578 is held in the Restricted Fixed Asset Reserves, however, this can only be realised by disposing of the Trust's Fixed Assets.

A liability of £18,892,000 is shown in the Trust's balance sheet in respect of the local government pension scheme. The academy does not expect to have to fund the deficit other than in the normal course of making contributions to the pension fund. The risk to the academy is that if the deficit increases so too will the amount of pension contributions the academy is required to make. However, this risk may be mitigated by any future proposed reform of the pension scheme. The academy combined its pension schemes during the year so that one employer rate is now used for its existing academies. The academy maintains 5-year financial plan, which considers various funding scenarios and how these can be managed and planned for. The academy's risk management policy requires the governors to assess the major risks to which the trust will be exposed and consider how the risks can be managed and mitigated.

**Investment policy**

The Trustees investment powers are laid out in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities, or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

C.I.T. can invest surplus funds where the return is higher than that of a normal current deposit account. Apart from funds transferring to a current deposit account, all investment decisions are made by the C.I.T. Finance, Audit & Estates Committee and Trustees in line with the C.I.T. Treasury Management Policy. Any investment made by the trust will ensure there is no risk of loss in capital value of any cash funds invested and that invested funds are protected against inflation and a view is taken to optimise returns on invested funds.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**Principal risks and uncertainties**

The trustees are responsible for identifying risks faced by the trust, assessing the likelihood of each risk occurring and its potential impact, and taking appropriate steps to mitigate the risks to a level they consider to be acceptable.

The C.I.T. Board of Trustees has assessed the major risks to which the trust is exposed, centring around meeting its vision for outstanding lifelong learning for all, whilst balancing the need to set and maintain the Trust's financial reserves, in the face of continuing pressure on school funding in real terms.

The trustees continue to assess risks that C.I.T. faces, especially in the operational areas (e.g. in relation to teaching quality, health and safety, school trips, safeguarding, recruitment and retention of staff, IT and data security) and in relation to the control of finance, and implements operational and financial controls in order to minimise risk. Where significant financial exposure risk still remains, they have ensured the trust has adequate insurance cover (RPA).

We have established systems and procedures to manage those risks, and maintain a risk register that is reviewed regularly. The risk register maintains a focus on risks that may impact negatively on pupil outcomes, teaching, governance, operations, legal, property, finance, commercial, people, technology, information and safeguarding.

In the short to medium term, the affects arising from the COVID-19 pandemic continue to present several increased and additional risks relating to academic achievement of pupils who have missed a significant amount of time at school, increased risks relating to safeguarding and mental health and increased risks relating to IT and data security, particularly considering the increase in remote learning and working.

We consider internal control systems and exposure to risks in relation to all activities and legislation and discuss them during weekly leadership and termly trustee meetings. We embed risk management into the day-to-day processes of trust and its individual schools.

As C.I.T grows, additional risks may be identified. The trustees will evaluate these risks and ensure that adequate measures are put in place to mitigate and reduce these risks.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

## **Fundraising**

C.I.T. academies' approach to fundraising is two-fold:

### 1. Written grant applications to potential funders

These applications are written and managed by the Support Hub Fundraising Team on behalf of individual schools. School projects are assessed by need and impact on pupils.

This funding stream is seen by C.I.T. as essential to provide pupils across the Trust with extended enrichment, to compliment the national curriculum, and to offer pupils a broad and balanced education.

### 2. Online school donation campaigns

Protection of the public

C.I.T. academies occasionally run individual school donation campaigns (online and/or via text giving) for specific projects. These campaigns are non-intrusive and leave the onus up to the individual as to whether they would like to donate and support or not. No pressure is involved in donation campaigns, they are simply posted out on individual school social media pages.

### Fundraising Complaints

To date, the trust has not received any form of complaint regarding its fundraising approaches since its fruition in September 2014. The Head of Communications & Fundraising monitors this for the trust.

### COVID-19 Impact

The pandemic initially impacted on fundraising efforts for the Trust up to April 2021. However, we searched further and wider for new funders and became more creative with bid writing. This resulted in improved income during the latter part of the academic year.

### Fundraising Revenue 2020/2021

During the academic year 2020-2021, 113 grant applications were submitted, 45 of which were successful, 49 unsuccessful, with 19 decisions still outstanding. In total, the Fundraising Team successfully secured £168,084. This funding was used to implement the following projects:

- Playground installations at Boston Endeavour Academy.
- New minibuses for Foxfields and Woodlands.
- Library improvements at Caythorpe, Chapel, St Pauls, Linchfield and BEA.
- Breakfast Club funding for Chapel, Ambergate, Foxfields, Garth, Priory, Sandon and Woodlands.
- Gardening funding for Greenfields, Foxfields and Poplar.
- Food Tech room refurbishments at Ambergate.
- Forest School improvements and an Art Project at The Priory.
- New ipads for Linchfield.
- The installation of a stand-alone Therapy Hub unit at Greenfields Academy.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**Streamlined energy and carbon reporting**

The Academy's greenhouse gas emissions and energy consumption are as follows:

	<b>2021</b>	2020
Energy consumption used to calculate emissions (kWh)	<b>2,647,915</b>	3,025,631
<b>Energy consumption breakdown (kWh):</b>		
Gas	<b>1,804,133</b>	1,872,636
Electricity	<b>801,783</b>	859,641
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas and oil consumption	<b>339.71</b>	352.71
<b>Total scope 1</b>	<b>339.71</b>	352.71
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<b>186.93</b>	200.42
<b>Scope 3 emissions (in tonnes of CO2 equivalent):</b>		
Business travel in employee-owned or rental vehicles	<b>9.83</b>	17.81
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>536.47</b>	570.94
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<b>.33</b>	.39

The Academy has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector. The intensity ratio is 0.39 tonnes of CO2 equivalent per pupil.

This marks the second year the Trust has been required to report on both its energy consumption and its plans to improve its energy efficiencies. Prior to 19/20 the Trust hadn't applied any formal improvement measures or strategy. Individual schools will have run energy saving projects with pupils and all will have endeavoured to not waste energy unnecessarily. Trust-wide energy consumption and efficiency saving has now become an annual pillar within the overarching estate's strategy.

The Trust has three key action statements for the forthcoming academic year:

- We are continuing to conduct energy audits across our academies and understand the actions we need to take to reduce our carbon footprint,
- We are looking to move all our servers to the cloud by September 2021, (delayed from last year due to Covid)
- Refine and improve the Trust's approach to Salix Public Sector Decarbonisation Scheme applications and bids.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**Plans for future periods**

Community Inclusive Trust continues to achieve its strategic objectives and deliver excellent support to academies within the organisation; a mechanism enabled by pooling resources, providing value for money and delivering economies of scale.

The trust is further supported by its maintenance of LEARN teaching centre, which provides training and development to educators and support staff across schools in the East Midlands.

C.I.T. is committed to the training, development and wellbeing of staff across all of its schools. Through its investment in people, by training and personal development, the service provided to the pupils is enhanced as well as developing the necessary infrastructure to support underperforming schools.

In 2024 when C.I.T. delivers its strategy and achieves its mission, it will be an organisation:

- With a Governance and Leadership structure that drives “**Life Long Learning**”.
- That has the capacity to be self-supporting, with the educational and business expertise which can lead and challenge its own schools.
- With a reputation for being an efficiently operating organisation that provides **outstanding provision**, which is not only respected and **trusted** by the **community** C.I.T. serves, but allows C.I.T. to drive and influence policy locally and nationally.
- With a teaching school that develops resource and directs it internally and externally to drive “lifelong learning for all”.
- Operating across the East Midlands.
- With an annual turnover of at least £30 million.
- With the economies of scale that allows the central support hub to be financially efficient and provide high quality services that are valued and trusted by the **community** and schools they serve.
- With a mixture of **inclusive** mainstream and special schools, operating in geographic clusters of 4 plus schools, sharing resources and providing pupils with an education that best suits their personal learning needs.

**Funds held as custodian on behalf of others**

The charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders.

**Employee involvement and employment of the disabled**

The trustees aim to provide an environment that will promote equality for all staff. Where staff have disabilities, the Trustees seek to ensure that reasonable and affordable arrangements are made to ensure they can take full advantage of the generally available entitlement. Trustees ensure there is collaboration with specialist services and agencies to provide coherent and integrated support.

The trust supports and encourages all employees and provides equal access to career development and promotion opportunities.

We treat all applicants to employment fairly regardless of their race, disability, gender, religious beliefs or sexual orientation.

C.I.T. supports consultation with all staff on matter relating to terms and conditions of employment at the trust, the Trust vision and strategy and shares information regularly on achievement and performance of the trust.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

**Auditors**

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2021 and signed on its behalf by:

.....  
**S Hopkins**  
Chair of Trustees

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT**

---

**Scope of responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Community Inclusive 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 Community Inclusive 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.



---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**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 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
S Hopkins, Chair of Trustees	7	7
K Weekes	5	7
K Goodman	4	7
L McClements	5	7
S Maycock	5	7
P Bell, Chief Executive and Accounting Officer	7	7
R Sharpe	6	7
K Rouse	4	7
K Platts	3	7
H Drew-Bradley	7	7
J Storey	4	7
B Steele	7	7

The composition of the board has strengthened during the year. The skills audit that identified a greater need for finance and business expertise and primary experience to support and challenge the growth of the Primary sector within C.I.T. has driven this.

Recent additions to the board include an internationally experienced information technology advisor, a leader in development/coaching and management consultancy, a senior business and finance professional, a senior university lecturer and a head of school standards with Government and local authority experience.

The Trust has undertaken a review of Governance to ensure that the model and systems in place are adequate and reflective of sector needs.

The C.I.T. Finance, Audit & Estates Committee is a committee of the main board of trustees. Its purpose is to:

- Undertake the 'overview, accountability and assurance' responsibilities linked to all Finance matters, Audit related matters, matters linked to the Trust's Estate and matters linked to data security
- Undertake the key Trust Board responsibilities detailed in the DfE Academy Trusts Handbook including Financial Risk
- Act of the general Audit and Risk Committee
- Approve decisions as detailed in the Trust' Scheme of Delegation
- Advise on any strategic priorities for the Trust linked to Financial matters and Estates matters
- Ensure that the trust behaves with regularity and propriety
- Ensure that the trust secures values for money through economic, efficient and effective use of the resources in its charge
- Determine the potential risks facing the trust, related finance and estates matters are determined and assessed in relation to the board's risk appetite
- Risk control measures are in place and are impactful in reducing levels of perceived risk.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**Governance (continued)**

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L McClements	5	5
S Maycock	5	5
B Steele	5	5
S Hopkins	5	5
P Bell, Guest	5	5

**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:

- Undertaking competitive tendering processes in line with CIT's policy
- Review of staffing structures within CIT
- Review of department expenditures
- Actively looking to central purchasing for utilities and other services for the whole Trust in order to accommodate economies of scale.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an 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 Community Inclusive 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.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

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

The Board of Trustees has decided to employ Assurance Lincolnshire Limited as internal auditor.

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

- Governance arrangements
- Risk management arrangements, particularly those for Covid-19
- Budget management
- Cash and banking arrangements
- Purchase procedure compliance
- Use of commercial cards
- Income
- Payroll procedures

On an annual basis, the internal auditor reports to the board of trustees through the finance, audit & estates committee, who in turn briefed the Board, on the operation of the systems of control and on the discharge of the trustees' financial responsibilities.

The internal audit team delivered the schedule of work in line with expectations of previous years, although their physical presence to achieve this was not possible due to COVID-19. Meetings took place remotely and information was provided electronically. Where areas for improvement were highlighted, the Trust together with the heads of department and school operations managers agreed an action plan to strengthen best practice and eradicate any concerns raised.

Key points raised during the reviews were some areas of inconsistent record keeping and documentation, however, no material anomalies were identified and general practice indicated schools were operating in line with the Trust's policies. However, training was delivered to ensure schools operate in line with the Trust's guidelines.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**GOVERNANCE STATEMENT (CONTINUED)**

---

**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 auditor;
- the work of the external auditors;
- 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 & estates committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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

.....  
**S Hopkins**  
Chair of Trustees

.....  
**P Bell**  
Accounting Officer

Date: 15 December 2021

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

---

As accounting officer of Community Inclusive Trust I have considered my responsibility to notify the Academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, 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 Bell**  
Accounting Officer

Date: 15 December 2021

---

**COMMUNITY INCLUSIVE 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 and signed on its behalf by:

.....  
**S Hopkins**  
Chair of Trustees

Date: 15 December 2021

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**Opinion**

We have audited the financial statements of Community Inclusive 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.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMMUNITY INCLUSIVE 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.



---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMMUNITY INCLUSIVE 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.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
COMMUNITY INCLUSIVE 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the trust through discussions with Trustees and other management, and from our commercial knowledge and experience of the Trust and education sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Trust, including the Companies Act 2006, the Academies Financial Handbook 2020, the Academies Accounts Direction, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety and safeguarding legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- reviewed a sample of grants in the year to allocation and accurate recognition;
- agreed a sample of employees on the Trust payroll to existence and agreed the accuracy of their pay;
- assessed and reviewed the appropriateness and effectiveness of the key systems and controls;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing internal audit reports for any indication of breaches of laws and regulations;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the Trust's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance.

Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**Use of our report**

This report is made solely to the Academy'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.

**Mark Bradshaw (senior statutory auditor)**

for and on behalf of  
**Streets Audit LLP**  
Windsor House  
A1 Business Park at  
Long Bennington  
Notts  
NG23 5JR

17 December 2021

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

In accordance with the terms of our engagement letter dated 25 March 2019 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 Community Inclusive 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 Community Inclusive Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Community Inclusive 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 Community Inclusive Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Community Inclusive Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Community Inclusive Trust's funding agreement with the Secretary of State for Education dated 28 August 2014 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.

**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 to draw to our conclusion includes:

- a review of the Trust's systems and controls and confirmation of the operation and effectiveness during the year;
- a review of expenditure to confirm the appropriateness and value for money; and
- a review of connected party arrangements, transactions and balances.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**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.

Mark Bradshaw (Senior statutory auditor)  
**Streets Audit LLP**

Windsor House  
A1 Business Park at  
Long Bennington  
Notts  
NG23 5JR

Date: 17 December 2021

**COMMUNITY INCLUSIVE 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 £
<b>Income from:</b>						
Donations and capital grants:	3					
Transfer from Local Authority on conversion		17,160	(239,000)	11,479,489	11,257,649	-
Other donations and capital grants		-	-	1,299,925	1,299,925	4,835,354
Charitable activities		481,019	21,879,327	-	22,360,346	18,187,841
Teaching schools		-	115,053	-	115,053	284,706
Investments	5	2,392	-	-	2,392	1,434
<b>Total income</b>		<b>500,571</b>	<b>21,755,380</b>	<b>12,779,414</b>	<b>35,035,365</b>	<b>23,309,335</b>
<b>Expenditure on:</b>						
Charitable activities		342,680	23,549,638	1,280,316	25,172,634	20,367,222
Teaching schools		-	173,357	-	173,357	190,665
<b>Total expenditure</b>		<b>342,680</b>	<b>23,722,995</b>	<b>1,280,316</b>	<b>25,345,991</b>	<b>20,557,887</b>
<b>Net income/ (expenditure)</b>		<b>157,891</b>	<b>(1,967,615)</b>	<b>11,499,098</b>	<b>9,689,374</b>	<b>2,751,448</b>
Transfers between funds	17	-	(206,611)	206,611	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>157,891</b>	<b>(2,174,226)</b>	<b>11,705,709</b>	<b>9,689,374</b>	<b>2,751,448</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(2,803,000)	-	(2,803,000)	(777,000)
<b>Net movement in funds</b>		<b>157,891</b>	<b>(4,977,226)</b>	<b>11,705,709</b>	<b>6,886,374</b>	<b>1,974,448</b>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	970,448	(13,779,555)	47,490,869	34,681,762	32,707,314
Net movement in funds	157,891	(4,977,226)	11,705,709	6,886,374	1,974,448
<b>Total funds carried forward</b>	<u>1,128,339</u>	<u>(18,756,781)</u>	<u>59,196,578</u>	<u>41,568,136</u>	<u>34,681,762</u>

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

The notes on pages 41 to 77 form part of these financial statements.

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09071623**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	13	<b>58,162,530</b>	46,359,559
		<u>58,162,530</u>	<u>46,359,559</u>
<b>Current assets</b>			
Debtors	14	<b>1,407,005</b>	1,172,366
Cash at bank and in hand		<b>3,745,894</b>	4,101,228
		<u>5,152,899</u>	<u>5,273,594</u>
Creditors: amounts falling due within one year	15	<b>(2,664,608)</b>	(2,818,391)
<b>Net current assets</b>		<b>2,488,291</b>	2,455,203
<b>Total assets less current liabilities</b>		<b>60,650,821</b>	48,814,762
Creditors: amounts falling due after more than one year	16	<b>(190,685)</b>	-
<b>Net assets excluding pension liability</b>		<b>60,460,136</b>	48,814,762
Defined benefit pension scheme liability	26	<b>(18,892,000)</b>	(14,133,000)
<b>Total net assets</b>		<b>41,568,136</b>	34,681,762



**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09071623**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	59,196,578	47,490,869
Restricted income funds	17	135,219	353,445
Restricted funds excluding pension asset	17	<u>59,331,797</u>	<u>47,844,314</u>
Pension reserve	17	<u>(18,892,000)</u>	<u>(14,133,000)</u>
<b>Total restricted funds</b>	17	<b>40,439,797</b>	<b>33,711,314</b>
<b>Unrestricted income funds</b>	17	<b>1,128,339</b>	<b>970,448</b>
<b>Total funds</b>		<b><u>41,568,136</u></b>	<b><u>34,681,762</u></b>

The financial statements on pages 36 to 77 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....  
**S Hopkins**  
Chair of Trustees

Date: 15 December 2021

The notes on pages 41 to 77 form part of these financial statements.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

---

	<b>Note</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	19	<b>(381,146)</b>	1,407,610
<b>Cash flows from investing activities</b>	21	<b>(76,421)</b>	307,419
<b>Cash flows from financing activities</b>	20	<b>102,233</b>	-
<b>Change in cash and cash equivalents in the year</b>		<b>(355,334)</b>	1,715,029
Cash and cash equivalents at the beginning of the year		<b>4,101,228</b>	2,386,199
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<b>3,745,894</b>	<b>4,101,228</b>

The notes on pages 41 to 77 form part of these financial statements

---

**COMMUNITY INCLUSIVE 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.

Community Inclusive 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.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

**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.

• **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.

The Academy is benefiting from the ESFA's Free School Building Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement from costs being incurred, and the development occurring on a site where the Academy controls through lease the site where a development is occurring. The expenditure is capitalised in assets under construction until the project is complete.

• **Donations**

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

• **Other income**

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

• **Transfer on conversion**

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

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

• **Charitable activities**

These are costs incurred on the 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 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.

**1.6 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.

Where properties occupied by academies are the subject of PFI contracts, consideration is given to the detailed terms of the relevant contract and to whether or not the PFI contract transfers the risks and rewards of ownership to the trust. If there is such as transfer of risk and rewards, such assets are accounted for under the policies of land and buildings set out above. If such risks and rewards are not transferred, the nature of the properties is deemed to be akin to serviced accommodation, and payments under the PFI contract are treated as operating lease payments.

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

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.6 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Leasehold property	- 2% straight line
Furniture and equipment	- 20% straight line
Computer equipment	- 20% straight line
Motor vehicles	- 25% straight line

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

**1.7 Debtors**

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

**1.8 Cash at bank and in hand**

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

**1.9 Liabilities**

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

**1.10 Provisions**

Provisions are recognised when the Academy has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.11 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 14. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

**1.12 Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.13 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.

**1.14 Conversion to an academy trust**

The conversion from a state maintained school to an Academy involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Linchfield Community Primary School and Foxfields Academy to the Academy have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.



---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**1. Accounting policies (continued)**

**1.15 Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.

**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.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

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

Critical areas of judgment:

Woodlands Academy and Greenfields Academy are PFI schools and the property occupied is therefore the subject of PFI contracts. The trustees have given consideration to the detailed terms of the relevant contract and to whether or not the PFI contracts transfers the risks and rewards of ownership to the trust. The trustees have concluded that the PFI contracts does indeed transfer the risks and rewards of ownership to the trust and accordingly the property is accounted for under the policies of tangible fixed assets above.

The trustees also give consideration to whether properties held under 125 year leases from the Local Authority transfer the risks and rewards of ownership to the trust. The trustees have concluded that the 125 year leases do indeed transfer the risks and rewards of ownership to the trust and accordingly the properties are accounted for under the policies for tangible fixed assets above.

A new school property has been built to be operational from 1 September 2021. Accordingly, the donation of the school to the trust is to be recognised on 1 September 2021 at which time the donation of the old site back to the Local Authority will also occur.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Transfer from LA on conversion	17,160	(239,000)	11,479,489	<b>11,257,649</b>
Capital Grants	-	-	1,299,925	<b>1,299,925</b>
	<u>17,160</u>	<u>(239,000)</u>	<u>12,779,414</u>	<u><b>12,557,574</b></u>
	<u><u>17,160</u></u>	<u><u>(239,000)</u></u>	<u><u>12,779,414</u></u>	<u><u><b>12,557,574</b></u></u>
			<i>Restricted</i>	
	<i>Unrestricted</i>	<i>Restricted</i>	<i>fixed asset</i>	<i>Total</i>
	<i>funds</i>	<i>funds</i>	<i>funds</i>	<i>funds</i>
	<i>2020</i>	<i>2020</i>	<i>2020</i>	<i>2020</i>
	<i>£</i>	<i>£</i>	<i>£</i>	<i>£</i>
Transfer from LA on conversion	183,171	(558,000)	3,377,000	3,002,171
Capital Grants	-	-	1,833,183	1,833,183
	<u>183,171</u>	<u>(558,000)</u>	<u>5,210,183</u>	<u>4,835,354</u>
	<u><u>183,171</u></u>	<u><u>(558,000)</u></u>	<u><u>5,210,183</u></u>	<u><u>4,835,354</u></u>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**4. Funding for the Academy's educational operations**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total funds 2021 £</b>
General Annual Grant (GAG)	-	12,500,618	<b>12,500,618</b>
Other DfE/ESFA grants			
Pupil premium	-	964,425	<b>964,425</b>
UFSM	-	167,268	<b>167,268</b>
Teachers pay and pension grants	-	150,350	<b>150,350</b>
Other DfE Group grants	-	1,462,769	<b>1,462,769</b>
	-	15,245,430	<b>15,245,430</b>
<b>Other Government grants</b>			
Local Authority funding - SEN	-	5,211,214	<b>5,211,214</b>
Local Authority funding - SEN out of county	-	423,968	<b>423,968</b>
Local Authority funding - LAC	-	62,454	<b>62,454</b>
Local Authority funding - other	-	623,451	<b>623,451</b>
	-	6,321,087	<b>6,321,087</b>
<b>Other income from the academy's educational operations</b>	481,019	30,335	<b>511,354</b>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	-	167,050	<b>167,050</b>
	-	167,050	<b>167,050</b>
<b>COVID-19 additional funding (non-DfE/ESFA)</b>			
Other covid-19 funding	-	115,425	<b>115,425</b>
	-	115,425	<b>115,425</b>
	481,019	21,879,327	<b>22,360,346</b>

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

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

**4. Funding for the Academy's educational operations (continued)**

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
General Annual Grant (GAG)	-	9,990,854	9,990,854
Other DfE/ESFA grants			
Pupil premium	-	760,346	760,346
UIFSM	-	115,114	115,114
Teachers pay and pension grants	-	169,972	169,972
Other DfE Group grants	-	1,214,094	1,214,094
	<hr/>	<hr/>	<hr/>
	-	12,250,380	12,250,380
<b>Other Government grants</b>			
Local Authority funding - SEN	-	5,112,846	5,112,846
Local Authority funding - SEN out of county	-	313,189	313,189
Local Authority funding - LAC	-	56,164	56,164
Local Authority funding - other	-	36,918	36,918
	<hr/>	<hr/>	<hr/>
	-	5,519,117	5,519,117
<b>Other income from the academy's educational operations</b>	<hr/>	<hr/>	<hr/>
	418,344	-	418,344
	<hr/>	<hr/>	<hr/>
	418,344	17,769,497	18,187,841
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, individually material income streams are 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 £167,050 of funding for catch-up premium which has been fully spent during the year and costs incurred in respect of this funding are included in notes 7 and 8 below.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**5. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>
Bank interest	2,392	<b>2,392</b>
	<hr/>	<hr/>
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	1,434	1,434
	<hr/>	<hr/>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**6. Expenditure**

	<b>Staff Costs 2021 £</b>	<b>Premises 2021 £</b>	<b>Other 2021 £</b>	<b>Total 2021 £</b>
Academy's Educational Operations:				
Direct costs	15,301,718	-	1,101,284	<b>16,403,002</b>
Allocated support costs	4,712,623	1,407,756	2,652,253	<b>8,772,632</b>
Teaching school	-	-	173,357	<b>173,357</b>
	<u>20,170,100</u>	<u>1,407,756</u>	<u>3,771,135</u>	<u><b>25,348,991</b></u>
	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Academy's Educational Operations:				
Direct costs	12,360,935	-	940,642	13,301,577
Allocated support costs	3,806,425	1,257,150	1,981,070	7,044,645
Teaching school	-	-	190,665	190,665
	<u>16,289,085</u>	<u>1,257,150</u>	<u>2,990,652</u>	<u>20,536,887</u>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £</b>	<b>Support costs 2021 £</b>	<b>Total funds 2021 £</b>
Academy's Educational Operations	16,403,002	8,772,632	<b>25,175,634</b>

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Academy's Educational Operations	13,301,577	7,044,645	20,346,222

**Analysis of support costs**

	<b>Educational Operations 2021 £</b>	<b>Total funds 2021 £</b>
Staff costs	4,712,623	<b>4,712,623</b>
Depreciation	1,187,927	<b>1,187,927</b>
Technology costs	301,072	<b>301,072</b>
Premises costs	815,283	<b>815,283</b>
PFI costs	592,473	<b>592,473</b>
Other costs	1,126,269	<b>1,126,269</b>
Governance costs	36,985	<b>36,985</b>
	<b>8,772,632</b>	<b>8,772,632</b>



**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	<i>Educational Operations 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	3,806,425	3,806,425
Depreciation	945,289	945,289
Technology costs	289,652	289,652
Premises costs	659,277	659,277
PFI costs	597,873	597,873
Other costs	712,411	712,411
Governance costs	33,718	33,718
	<u>7,044,645</u>	<u>7,044,645</u>

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<b>2020 £</b>
Depreciation of tangible fixed assets	<b>1,187,927</b>	945,289
Fees paid to auditors for:		
- audit	<b>16,850</b>	14,450
- other services	<b>5,800</b>	5,100
	<u><b>16,850</b></u>	<u>14,450</u>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	14,071,576	11,324,901
Social security costs	1,269,928	1,024,372
Pension costs	4,640,344	3,725,885
	<u>19,981,848</u>	<u>16,075,158</u>
Agency staff costs	171,644	135,833
Staff restructuring costs	16,608	78,094
	<u>20,170,100</u>	<u>16,289,085</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	16,608	78,094
	<u>16,608</u>	<u>78,094</u>

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

Included in staff costs are non-statutory severance payments of £16,608 (2020 - £78,094).

**c. Staff numbers**

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

	2021 No.	2020 No.
Teachers	200	153
Management	25	17
Administration and Support	566	351
	<u>791</u>	<u>521</u>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**9. Staff (continued)**

**d. Higher paid staff**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>6</b>	<i>3</i>
In the band £70,001 - £80,000	<b>3</b>	<i>3</i>
In the band £80,001 - £90,000	<b>2</b>	<i>1</i>
In the band £90,001 - £100,000	<b>1</b>	<i>1</i>
In the band £100,001 - £110,000	<b>2</b>	<i>1</i>
In the band £110,001 - £120,000	<b>1</b>	<i>1</i>
In the band £150,001 - £160,000	<b>-</b>	<i>1</i>
In the band £160,001 - £170,000	<b>1</b>	<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 £917,201 (2020 £793,353).

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**10. Central services**

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

- Financial services including internal and external audit;
- Education support services;
- Strategic leadership.
- IT support services and licensing;
- HR and recruitment services;
- Governance support services;
- Centralised contracts;
- School Operations Management services;

The Academy charges for these services on the following basis:

8.0% of GAG and agreed local authority place funding for existing Academies which are able to make the contribution. Where they are not, other schools may increase their contribution temporarily.

The actual amounts charged during the year were as follows:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Ambergate Sports College	<b>348,333</b>	<i>357,333</i>
The Grantham Sandon School	<b>147,028</b>	<i>138,028</i>
The Isaac Newton Primary School	<b>195,000</b>	<i>176,010</i>
The John Fielding Special School	<b>136,718</b>	<i>126,718</i>
The Priory School	<b>250,894</b>	<i>275,653</i>
The Garth School	<b>110,834</b>	<i>150,834</i>
Woodlands Academy	<b>186,207</b>	<i>296,827</i>
Caythorpe Primary School	<b>30,000</b>	<i>-</i>
Chapel St Leonards Primary School	<b>90,000</b>	<i>-</i>
Greenfields Academy	<b>186,517</b>	<i>189,517</i>
Poplar Farm Primary School	<b>90,923</b>	<i>57,549</i>
St Paul's Community Primary School	<b>114,420</b>	<i>-</i>
Foxfields Academy	<b>30,000</b>	<i>-</i>
Linchfield Community Primary School	<b>179,027</b>	<i>-</i>
<b>Total</b>	<b><u>2,095,901</u></b>	<b><u>1,768,469</u></b>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**11. 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:

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
P Bell, Chief Executive and Accounting Officer Remuneration	<b>160,000 -</b>	<i>150,000 -</i>
	<b>165,000</b>	<i>155,000</i>
Pension contributions paid	<b>35,000 -</b>	<i>35,000 -</i>
	<b>40,000</b>	<i>40,000</i>

During the year ended 31 August 2021, travel expenses totalling £1,661 were reimbursed or paid directly to 3 Trustees (2020 - £2,065 to 3 Trustees).

**12. Trustees' and Officers' insurance**

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

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**13. Tangible fixed assets**

	F/hold and L/hold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>					
At 1 September 2020	48,211,409	464,941	451,472	176,245	49,304,067
Additions	1,030,074	97,044	175,569	93,211	1,395,898
Acquired on conversion	11,595,000	-	-	-	11,595,000
At 31 August 2021	<u>60,836,483</u>	<u>561,985</u>	<u>627,041</u>	<u>269,456</u>	<u>62,294,965</u>
<b>Depreciation</b>					
At 1 September 2020	2,330,250	200,156	290,355	123,747	2,944,508
Charge for the year	935,176	93,002	136,258	23,491	1,187,927
At 31 August 2021	<u>3,265,426</u>	<u>293,158</u>	<u>426,613</u>	<u>147,238</u>	<u>4,132,435</u>
<b>Net book value</b>					
At 31 August 2021	<u><u>57,571,057</u></u>	<u><u>268,827</u></u>	<u><u>200,428</u></u>	<u><u>122,218</u></u>	<u><u>58,162,530</u></u>
At 31 August 2020	<u><u>45,881,159</u></u>	<u><u>264,785</u></u>	<u><u>161,117</u></u>	<u><u>52,498</u></u>	<u><u>46,359,559</u></u>

The Trust's transactions relating to freehold and leasehold property are:

Modular classroom buildings at Garth - £534,087  
 Fire alarm, lighting and electrical projects at Caythorpe, Priory and Sandon - £237,468  
 Roofing works at Caythorpe - £150,251  
 Washrooms at Isaac Newton - £50,533  
 Wellbeing pod at Greenfields - £21,560  
 Kitchen and library works at Ambergate - £22,103  
 Other small projects across the trust - £14,072

A new school property has been built to be operational from 1 September 2021. Accordingly, the donation of the school to the trust is to be recognised on 1 September 2021 at which time the donation of the old site back to the Local Authority will also occur.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**14. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	85,098	35,187
Other debtors	360,933	212,519
Prepayments and accrued income	960,974	924,660
	<b>1,407,005</b>	<b>1,172,366</b>
	<b>1,407,005</b>	<b>1,172,366</b>

**15. Creditors: Amounts falling due within one year**

	2021 £	2020 £
Other loans	27,059	-
Trade creditors	376,179	1,003,386
Other taxation and social security	286,551	235,994
Other creditors	330,129	289,119
Accruals and deferred income	1,644,690	1,289,892
	<b>2,664,608</b>	<b>2,818,391</b>
	<b>2,664,608</b>	<b>2,818,391</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2020	808,398	633,176
Resources deferred during the year	1,081,081	808,398
Amounts released from previous periods	(808,398)	(633,176)
	<b>1,081,081</b>	<b>808,398</b>
	<b>1,081,081</b>	<b>808,398</b>

Deferred income includes PFI funding for the period 1 September 2021 to 31 March 2022, Universal Infant Free School Meals, rates relief and other grant income for the 2021/22 academic year.

Other loans relate to loans from Lincolnshire County Council from converting schools, and from the ESFA agreed as part of the Condition Improvement Fund bids. Each loan is repayable over 9-10 years with varying interest rates applying between interest free and 1.95%.

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**16. Creditors: Amounts falling due after more than one year**

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Other loans	<b>190,685</b>	-

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<b>£</b>
Payable or repayable by instalments	<b>82,449</b>	-
	<b>82,449</b>	-

Other loans relate to loans from Lincolnshire County Council from converting schools, and from the ESFA agreed as part of the Condition Improvement Fund bids. Each loan is repayable over 9-10 years with varying interest rates applying between interest free and 1.95%.



**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**17. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds	970,448	500,571	(342,680)	-	-	1,128,339
<b>Restricted general funds</b>						
General Annual Grant (GAG)	185,894	12,502,753	(12,456,064)	(206,611)	-	25,972
DfE/ESFA grants	-	2,940,061	(2,940,061)	-	-	-
LA grants	-	6,436,513	(6,436,513)	-	-	-
Teaching school	167,551	115,053	(173,357)	-	-	109,247
Pension reserve	(14,133,000)	(239,000)	(1,717,000)	-	(2,803,000)	(18,892,000)
	<u>(13,779,555)</u>	<u>21,755,380</u>	<u>(23,722,995)</u>	<u>(206,611)</u>	<u>(2,803,000)</u>	<u>(18,756,781)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	40,039,188	11,479,489	(935,176)	-	-	50,583,501
Capital expenditure from GAG	331,247	-	(15,411)	206,611	-	522,447
DfE/ESFA capital grants	5,451,400	1,279,608	(281,324)	-	-	6,449,684
Other activities	1,669,034	20,317	(48,405)	-	-	1,640,946
	<u>47,490,869</u>	<u>12,779,414</u>	<u>(1,280,316)</u>	<u>206,611</u>	<u>-</u>	<u>59,196,578</u>
<b>Total Restricted funds</b>	<u>33,711,314</u>	<u>34,534,794</u>	<u>(25,003,311)</u>	<u>-</u>	<u>(2,803,000)</u>	<u>40,439,797</u>
<b>Total funds</b>	<u>34,681,762</u>	<u>35,035,365</u>	<u>(25,345,991)</u>	<u>-</u>	<u>(2,803,000)</u>	<u>41,568,136</u>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**17. Statement of funds (continued)**

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Academy from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Academy at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority on conversion represents the assets transferred to the Academy from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Academy.

Other ESFA Grants, other government grants and other restricted funds represent monies received for specific purposes.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Transfers between funds represent the use of recurrent income being used to fund capital expenditure.

Summary

The balance on restricted general funds plus unrestricted general funds at 31 August 2021 results in a net surplus of £1,263,558.

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.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**17. 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>
<b>Unrestricted funds</b>						
General Funds	686,239	602,949	(318,740)	-	-	970,448
<b>Restricted funds</b>						
GAG	91,078	9,990,854	(9,893,543)	(2,495)	-	185,894
DfE/ESFA grants	-	2,259,526	(2,259,526)	-	-	-
LA grants	-	5,519,117	(5,519,117)	-	-	-
Teaching school	73,510	284,706	(190,665)	-	-	167,551
Pension reserve	(11,367,000)	(558,000)	(1,431,000)	-	(777,000)	(14,133,000)
	<u>(11,202,412)</u>	<u>17,496,203</u>	<u>(19,293,851)</u>	<u>(2,495)</u>	<u>(777,000)</u>	<u>(13,779,555)</u>
<b>Restricted FA funds</b>						
Transfer on conversion	37,397,480	3,377,000	(735,292)	-	-	40,039,188
Expenditure from GAG	338,087	-	(9,335)	2,495	-	331,247
DfE/ESFA capital grants	4,476,971	1,107,381	(132,952)	-	-	5,451,400
Other activities	1,010,949	725,802	(67,717)	-	-	1,669,034
	<u>43,223,487</u>	<u>5,210,183</u>	<u>(945,296)</u>	<u>2,495</u>	<u>-</u>	<u>47,490,869</u>
<b>Total Restricted funds</b>	<u>32,021,075</u>	<u>22,706,386</u>	<u>(20,239,147)</u>	<u>-</u>	<u>(777,000)</u>	<u>33,711,314</u>
<b>Total funds</b>	<u>32,707,314</u>	<u>23,309,335</u>	<u>(20,557,887)</u>	<u>-</u>	<u>(777,000)</u>	<u>34,681,762</u>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**17. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Central trust	<u>1,263,558</u>	<u>1,323,893</u>
Restricted fixed asset fund	<b>59,196,578</b>	47,490,869
Pension reserve	<b>(18,892,000)</b>	(14,133,000)
<b>Total</b>	<b><u><u>41,568,136</u></u></b>	<b><u><u>34,681,762</u></u></b>

Community Inclusive Trust manages the reserves of the schools centrally in order to ensure sufficient liquidity is available to meet the needs of all academies within it. Therefore, these reserves have been disclosed at charitable trust level.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**17. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Ambergate Sports College	1,359,897	228,599	68,949	171,537	<b>1,828,982</b>
The Grantham Sandon School	1,162,478	227,582	15,844	115,623	<b>1,521,527</b>
The Isaac Newton Primary School	1,592,328	178,147	87,738	265,349	<b>2,123,562</b>
The John Fielding Special School	1,198,418	136,280	57,586	92,758	<b>1,485,042</b>
The Priory School	1,365,754	260,085	100,935	130,968	<b>1,857,742</b>
The Garth School	1,094,761	79,635	24,945	80,570	<b>1,279,911</b>
Woodlands Academy	1,144,687	154,186	81,004	430,973	<b>1,810,850</b>
Caythorpe Primary School	433,743	62,299	26,321	61,068	<b>583,431</b>
Chapel St Leonards Primary School	727,633	137,860	60,254	104,023	<b>1,029,770</b>
Poplar Farm Primary School	568,882	128,592	48,727	102,032	<b>848,233</b>
Greenfields Academy	1,134,112	103,321	87,728	393,839	<b>1,719,000</b>
St Paul's Community Primary School and Nursery	830,764	183,752	45,316	132,651	<b>1,192,483</b>
Foxfields Academy	548,331	68,059	55,916	114,367	<b>786,673</b>
Linchfield Community Primary School	1,272,731	193,003	63,932	162,775	<b>1,692,441</b>
Central services	677,433	1,420,143	66,885	2,233,956	<b>4,398,417</b>
<b>Academy</b>	<b>15,111,952</b>	<b>3,561,543</b>	<b>892,080</b>	<b>4,592,489</b>	<b>24,158,064</b>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**17. Statement of funds (continued)**

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2020 £</i>
Ambergate Sports College	1,310,569	206,532	38,680	140,206	1,695,987
The Grantham Sandon School	1,191,375	203,810	35,134	97,523	1,527,842
The Isaac Newton Primary School	1,496,942	152,138	65,178	260,130	1,974,388
The John Fielding Special School	1,063,094	148,126	26,406	81,124	1,318,750
The Priory School	1,346,482	214,287	54,008	114,992	1,729,769
The Garth School	1,060,927	48,288	7,475	77,367	1,194,057
Woodlands Academy	1,188,981	113,441	44,526	468,836	1,815,784
Caythorpe Primary School	426,991	52,282	21,633	67,701	568,607
Chapel St Leonards Primary School	648,246	160,343	51,162	113,474	973,225
Poplar Farm Primary School	374,239	92,095	34,258	84,601	585,193
Greenfields Academy	1,111,033	96,854	59,743	373,515	1,641,145
St Paul's Community Primary School and Nursery	505,307	103,470	18,181	56,853	683,811
Central services	766,034	1,010,198	124,720	2,003,088	3,904,040
<b>Academy</b>	<b>12,490,220</b>	<b>2,601,864</b>	<b>581,104</b>	<b>3,939,410</b>	<b>19,612,598</b>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**18. 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	-	426	58,162,104	<b>58,162,530</b>
Current assets	1,128,339	2,671,143	1,353,417	<b>5,152,899</b>
Creditors due within one year	-	(2,536,350)	(115,473)	<b>(2,651,823)</b>
Creditors due in more than one year	-	-	(203,470)	<b>(203,470)</b>
Provisions for liabilities and charges	-	(18,892,000)	-	<b>(18,892,000)</b>
<b>Total</b>	<b>1,128,339</b>	<b>(18,756,781)</b>	<b>59,196,578</b>	<b>41,568,136</b>

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

	2021 £	2020 £
Net income for the year (as per statement of financial activities)	<b>9,689,374</b>	2,751,448
<b>Adjustments for:</b>		
Depreciation	<b>1,187,927</b>	945,289
Capital grants from DfE and other capital income	<b>(1,299,925)</b>	(1,833,183)
Interest receivable	<b>(2,392)</b>	(1,434)
Defined benefit pension scheme cost less contributions payable	<b>1,480,000</b>	1,197,000
Defined benefit pension scheme finance cost	<b>231,000</b>	234,000
(Increase)/decrease in debtors	<b>(234,639)</b>	884,957
(Decrease)/increase in creditors	<b>(180,842)</b>	231,704
Net loss/(gain) on assets and liabilities from local authority on conversion	<b>(11,257,649)</b>	(3,002,171)
Defined benefit pension scheme administration cost	<b>6,000</b>	-
<b>Net cash (used in)/provided by operating activities</b>	<b>(381,146)</b>	1,407,610

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**20. Cash flows from financing activities**

	2021 £	2020 £
Cash inflows from new borrowing	116,242	-
Repayments of borrowing	(14,009)	-
<b>Net cash provided by financing activities</b>	<b>102,233</b>	<b>-</b>

**21. Cash flows from investing activities**

	2021 £	2020 £
Dividends, interest and rents from investments	2,392	1,434
Purchase of tangible fixed assets	(1,395,898)	(1,710,369)
Capital grants from DfE and other capital income	1,299,925	1,833,183
Cash transferred on conversion to an academy trust	17,160	183,171
<b>Net cash (used in)/provided by investing activities</b>	<b>(76,421)</b>	<b>307,419</b>

**22. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	3,745,894	4,101,228
<b>Total cash and cash equivalents</b>	<b>3,745,894</b>	<b>4,101,228</b>

**23. Analysis of changes in net debt**

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	4,101,228	(355,334)	3,745,894
Debt due within 1 year	-	(27,059)	(27,059)
Debt due after 1 year	-	(190,685)	(190,685)
	<b>4,101,228</b>	<b>(573,078)</b>	<b>3,528,150</b>



**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

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

**24. Conversion to an academy trust**

On 1 September 2020 Linchfield Community Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Community Inclusive Trust from Lincolnshire County Council for £NIL consideration. On 1 October 2020 Foxfield Academy, a free school, opened as part of Community Inclusive Trust and the assets and liabilities at this date were transferred to the trust for £NIL consideration and are included in the table below.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	11,595,000	<b>11,595,000</b>
<b>Current assets</b>				
Cash - representing budget surplus on LA funds	17,160	-	-	<b>17,160</b>
<b>Current liabilities</b>				
Loans	-	-	(115,511)	<b>(115,511)</b>
<b>Non-current liabilities</b>				
Local Government Pension Scheme deficit	-	(239,000)	-	<b>(239,000)</b>
<b>Net assets/(liabilities)</b>	<u>17,160</u>	<u>(239,000)</u>	<u>11,479,489</u>	<u><b>11,257,649</b></u>

**25. Capital commitments**

	2021 £	2020 £
<b>Contracted for but not provided in these financial statements</b>		
Acquisition of tangible fixed assets	<u><b>222,964</b></u>	<u>695,779</u>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**26. 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 Lincolnshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £327,179 were payable to the schemes at 31 August 2021 (2020 - £287,573) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**26. Pension commitments (continued)**

The employer's pension costs paid to TPS in the year amounted to £1,601,857 (2020 - £1,343,182).

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.

**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 £1,858,000 (2020 - £1,415,000), of which employer's contributions totalled £1,492,000 (2020 - £1,131,000) and employees' contributions totalled £ 366,000 (2020 - £284,000). The agreed contribution rates for future years are 19.9 per cent for employers and various per cent for employees.

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

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

**Principal actuarial assumptions**

	<b>2021</b>	<i>2020</i>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.2</b>	<i>2.5</i>
Rate of increase for pensions in payment/inflation	<b>2.9</b>	<i>2.2</i>
Discount rate for scheme liabilities	<b>1.65</b>	<i>1.7</i>

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

	<b>2021</b>	<i>2020</i>
	<b>Years</b>	<b>Years</b>
<i>Retiring today</i>		
Males	<b>21.2</b>	<i>21.4</i>
Females	<b>23.6</b>	<i>23.7</i>
<i>Retiring in 20 years</i>		
Males	<b>22.0</b>	<i>22.4</i>
Females	<b>25.1</b>	<i>25.2</i>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**26. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	<b>893</b>	<i>666</i>
Mortality assumption - 1 year increase	<b>1,494</b>	<i>980</i>

**Share of scheme assets**

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Equities	<b>10,889,000</b>	<i>7,164,000</i>
Corporate bonds	<b>2,161,000</b>	<i>2,076,000</i>
Property	<b>1,570,000</b>	<i>1,038,000</i>
Cash and other liquid assets	<b>578,000</b>	<i>104,000</i>
<b>Total market value of assets</b>	<b>15,198,000</b>	<i>10,382,000</i>

The actual return on scheme assets was £2,460,000 (2020 - £(227,000)).

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

	<b>2021</b>	<i>2020</i>
	<b>£</b>	<i>£</i>
Current service cost	<b>(2,972,000)</b>	<i>(2,328,000)</i>
Interest income	<b>201,000</b>	<i>185,000</i>
Interest cost	<b>(432,000)</b>	<i>(419,000)</i>
Administrative expenses	<b>(6,000)</b>	<i>-</i>
<b>Total amount recognised in the Statement of financial activities</b>	<b>(3,209,000)</b>	<i>(2,562,000)</i>

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**26. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	<b>24,515,000</b>	<b>20,058,000</b>
Conversion of academy trusts	773,000	1,198,000
Current service cost	2,972,000	2,328,000
Interest cost	432,000	419,000
Employee contributions	366,000	284,000
Actuarial losses	5,062,000	365,000
Benefits paid	(30,000)	(137,000)
<b>At 31 August</b>	<b>34,090,000</b>	<b>24,515,000</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>10,382,000</b>	<b>8,691,000</b>
Conversion of academy trusts	534,000	640,000
Interest income	201,000	185,000
Actuarial gains/(losses)	2,259,000	(412,000)
Employer contributions	1,492,000	1,131,000
Employee contributions	366,000	284,000
Benefits paid	(30,000)	(137,000)
Administration expense	(6,000)	-
<b>At 31 August</b>	<b>15,198,000</b>	<b>10,382,000</b>

---

**COMMUNITY INCLUSIVE TRUST**  
**(A company limited by guarantee)**

---

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

---

**27. 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	528,145	523,392
Later than 1 year and not later than 5 years	2,040,151	2,040,191
Later than 5 years	3,029,664	3,538,508
	<u>5,597,960</u>	<u>6,102,091</u>

**28. 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.

**29. 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.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

**30. Post balance sheet events**

On 1 September 2021, The John Fielding Special School closed and pupils were transferred to Boston Endeavour Academy.

**31. Agency arrangements**

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the trust received £2,640 (2020 - £4,935) and disbursed £1,696 (2020 - £3,240) from the fund. An amount of £2,639 was included in other creditors at the year end.

**COMMUNITY INCLUSIVE TRUST**  
(A company limited by guarantee)

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

**32. Teaching school trading account**

	2021	2021	2020	2020
	£	£	£	£
<b>Income</b>				
<b>Direct income</b>				
Grant income	46,800		203,649	
Self-generated income	68,253		81,057	
<b>Total income</b>		<b>115,053</b>		<b>284,706</b>
<b>Expenditure</b>				
<b>Direct expenditure</b>				
Direct staff costs	141,699		121,725	
Direct depreciation	426		581	
Other direct costs	31,232		68,360	
<b>Total direct expenditure</b>	<b>173,357</b>		<b>190,666</b>	
<b>Total expenditure</b>		<b>173,357</b>		<b>190,666</b>
<b>(Deficit)/surplus from all sources</b>		<b>(58,304)</b>		<b>94,040</b>
<b>Teaching school balances at 1 September 2020</b>		<b>167,551</b>		<b>73,511</b>
<b>Teaching school balances at 31 August 2021</b>		<b>109,247</b>		<b>167,551</b>