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**OWLCOTES MULTI ACADEMY TRUST**

**(A company limited by guarantee)**

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**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**

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**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	C Cook M Hainsworth (resigned 15 December 2020) J Robinson J Norfolk (appointed 9 December 2020)
<b>Trustees</b>	R Gibson G Grant S Hall J Norfolk L West J Woods S Greene (appointed 15 October 2020) K Armstrong, (appointed 15 October 2020) (resigned 11 February 2021) M Sherburn, (appointed 15 October 2020) (resigned 18 November 2020) K Wilkinson (appointed 15 October 2020)
<b>Company registered number</b>	11188252
<b>Company name</b>	Owlcotes Multi Academy Trust
<b>Principal and registered office</b>	Pudsey Primrose Hill Primary School Primrose Hill Stanningley Pudsey LS28 6AB
<b>Chief executive officer</b>	L West
<b>Senior management team</b>	L West K Spence J Parker K Dickson
<b>Independent auditors</b>	Sagars Accountants Ltd Gresham House 5-7 St Paul's Street Leeds LS1 2JG
<b>Bankers</b>	LLoyds Bank 65-68 Briggate Leeds LS1 6LH
<b>Solicitors</b>	Stone King LLP 1 Aire Street Leeds LS1 4PR

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**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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The Chair presents her statement for the year.

In this, our third full year of operation as a multi academy trust, we have continued to improve our systems and processes and have made good progress despite the multiple challenges and disruption caused by the pandemic. We now have in place a central staff team and an infrastructure of systems and policy frameworks for effective decision making and for maximising value for money. We have a strong governance model with a dedicated and skilled trust board, committed to continual improvement, supported by strong local governing boards.

The trust is financially secure and the effective central team provides a raft of support for schools which enables school leaders to focus on improving the quality of education in their own schools. The trust has built a Trust Development Team to provide school improvement support to all the schools in the trust.

We place a strong emphasis on collaboration and professional development in our desire to provide an excellent education and outcomes for all pupils. The Executive Leadership Team drives this work in line with our philosophy of 'Working Together to Achieve Excellence'.

**Chief Executive Officer's Review of the Year**

The global pandemic has brought many challenges for our trust. Our school staff, children and families have faced year of uncertainty and on-going disruption to normal routines in school this year which has lasted throughout the year and is still ongoing. Our schools in the trust have had to respond effectively and make frequent changes to arrangements. At times, all our schools have managed with significantly reduced staffing, and yet have continued to support vulnerable families; to provide home learning for those children isolating at home; and to focus on operating schools safely. School leaders and school staff have continued to demonstrate resilience and adaptability, showing a great commitment to do the best they can to support all our children, their families and also to support their colleagues during these uncertain times.

Throughout this period, our school leadership teams and teaching teams have continued to meet regularly, identifying ways to improve provision for all pupils and plan strategically to address 'gaps in learning' for pupils in our schools. Throughout the year, there has been continued collaboration between the four schools which has supported school leadership teams during these unprecedented times. School staff have worked effectively through a blend of face-to-face and remote working arrangements and as result, we have developed and refined effective operational models to continue to do this, should the need arise in the future.

As CEO, I am proud of the collaborative approach our schools have taken to supporting each other through this difficult time, and their absolute focus on continuing, despite the challenges of the pandemic, to ensure that curriculum provision and high quality teaching and learning is central to their work. I am privileged to work with school leaders and staff teams who put children at the heart of their schools.

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

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The academy trust operates four primary schools in the LS28 (Pudsey) and LS12 (Armley) districts of Leeds. The schools have a combined pupil capacity of 1400 FTE pupils.

The four schools in the trust are:

- Pudsey Primrose Hill Primary School, LS28 6AB - Joined 1st March 2018
- Pudsey Waterloo Primary School, LS28 7SR – Joined 1st March 2018
- Calverley Parkside Primary School, LS28 5PQ – Joined 1st November 2018
- Armley Park Primary School, LS12 2LY – Joined 1st December 2019

### **Structure, governance and management**

#### **a. Constitution**

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

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of Owlcotes Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Owlcotes Multi Academy Trust.

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

#### **b. Members' liability**

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

#### **c. Trustees' indemnities**

The academy trust is a member of the DfE Academy Risk Protection scheme which provides cover to protect Trustees from claims arising against negligent acts, errors or omissions whilst on academy trust business.

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

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**Structure, governance and management (continued)**

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

The Articles of Association and Funding agreement are the primary documents that govern the appointment of Trustees. These allow for members to appoint up to nine trustees to the board of the academy trust. There are currently seven Trustees appointed.

The academy trust operates Local Governing Boards (LGBs) within its schools and each of these must have a minimum of two parent governors. Were the academy trust to amend its structure so that Local Governing Boards were no longer established in its schools, then article 53 requires that two parent Trustees shall be appointed to the trust board by way of an appropriate election process.

Article 58 permits the Trustees to co-opt further Trustees to the board subject to the eligibility criteria. In the period covered by these statements there were no co-opted Trustees appointed.

The term of office for any Trustee shall be four years. This time limit shall not apply to the CEO. Any Trustee may be re-appointed or re-elected in accordance with the Articles of Association.

The trust, on identifying a need to recruit an additional or replacement Trustee will identify requirements based on a skills audit of the current trustees. Candidates will be sought from within local communities and through external support agencies including Academy Ambassadors.

Any new Trustee will be proposed by the Chief Executive Officer and Chair of Trustees following interview. The candidate will then be presented to the Members and Board of Trustees who will vote on whether to accept them. All new Trustees will be required to complete an Enhanced Disclosure (through the Disclosure Barring Service) before the selection is confirmed.

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

An induction programme is available to new trustees which is informed by their existing experience. Where necessary, induction and training will be provided on educational, legal and financial matters.

All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets and other necessary documents that they will need to undertake their role as Trustees.

Trustees are invited to any appropriate training provided by the trust and are encouraged to access training as and when required provided by external agencies. Safeguard training is completed annually by all trustees. All trustees are required to submit information for inclusion in a Register of Interests, which is updated on an ongoing.

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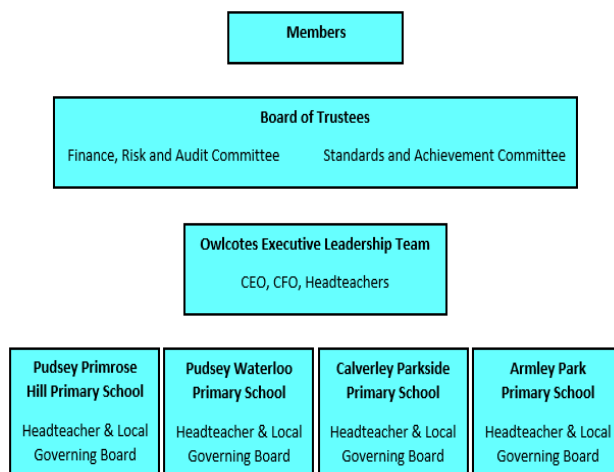
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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**Structure, governance and management (continued)**

**f. Organisational structure**



The academy trust operates an organisational structure that consists of four levels. Members; the board of Trustees and the associated individual committees (Finance Risk and Audit and Standards and Achievement); The Executive Leadership Team; the schools' LGB and Headteachers.

The Members of Owlcotes Multi-Academy Trust (OMAT) have ultimate control over the Trust, with the ability to appoint other members and Trustees. Members monitor, challenge and hold the Trustees to account. The Board of Trustees is responsible for the overall strategic direction of the academy trust. Trustees must ensure that the academy trust complies with: Company Law & Regulations; Charity Law & Regulations; Statutes and Regulations issued by National Government via the DfE, ESFA and other relevant agencies.

Trustees must ensure that the academy trust operates in a manner that delivers an appropriate and effective stewardship of public funds. Trustees achieve this by developing appropriate policies, procedures and practices which are implemented by the executives of the trust. Trustees work together on the Board in a voluntary capacity to ensure that OMAT meets the needs of its schools and communities.

The Chief Executive Officer (CEO) of the Trust is responsible for the day to day operation of the Trust and is accountable to the Board. The CEO is also the accounting officer. The executive leadership team is led by the CEO and comprises of the CFO and Headteachers of schools in the academy trust. The CEO and CFO have cross MAT responsibility for delivering on the strategic plans.

The Board of Trustees has two committees which act in an advice and scrutiny capacity to the board: The Finance, Risk and Audit Committee (FRAC) and the Achievement and Standards Committee (ASC)

Local Governing Boards and Headteachers have delegated responsibilities and must ensure they meet the challenge of their statutory duties and regulations and continuously improving children's outcomes. There are regular opportunities for communication between governors, leaders and trustees.

The Board of Trustees monitors the performance of the academy trust and its compliance with relevant laws and regulations through:

- Regular meetings of the Board of Trustees
- Regular written reports to the Trustees from the CEO
- The engagement of external third parties to undertake independent review and verification (e.g external

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

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**Structure, governance and management (continued)**

audit; external consultant)

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

Arrangements for setting pay and remuneration are in accordance with the Owlcotes pay policy which is agreed by the board of trustees and reflects guidance from the ESFA. The academy trust follows the pay arrangements for maintained schools in England and Wales for teachers. The trust's pay is based on nationally agreed pay scales for teaching staff and Local Government pay arrangements for non-teaching staff.

The key management personnel of the Academy Trust comprise the trustees, the Chief Executive Officer and the Chief Finance officer. Executive pay is set at an individual level and is benchmarked against similar roles. Only one trustee, the Chief Executive Officer, is remunerated and only receives remuneration in respect of services she provides under her contract of employment and not in respect of her role as a trustee.

Any changes to pay and remuneration takes place through the formal performance management process. The trustee performance management committee is responsible for reviewing the performance of the CEO. The CEO provides advice to LGB appraisal committees on the performance of Headteachers within OMAT.

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

Pudsey Primrose Hill Primary School is the lead school for initial teacher training in a consortium of schools in Leeds. During the year, 11 graduates were trained through the School Direct programme. The HEI provider is Educate Teacher Training.

The CEO / Executive Headteacher of Pudsey Primrose Hill Primary School is a strategic partner (but not the lead school) in the Noctua Teaching Alliance which provides continuing professional development to schools in Leeds and Bradford, she is also a Strategic partner in the Leeds Teaching School Hub which provides CPD, leadership development and school improvement services to schools in the Leeds area. A number of staff within the Owlcotes Trust are identified as Specialist Leaders of Education (SLEs) Local Authority Moderators and an NLE. These staff have given support to other schools.

**i. Trade union facility time**

During the year there was 1 part-time relevant union official employee. As a result of Covid-19 the employee did not spend any time on trade union activities. The trust 'buys in' to Leeds City Council Union Facilities time at a cost of £6,193.



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

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**Structure, governance and management (continued)**

**j. Engagement with Employees (including disabled persons)**

OMAT has engaged with unions representing staff via a JCC. New policies in Owlcotes trust are shared with staff and union representatives for comment and local agreement.

School staff at all levels are fully involved in decision making. Leaders seek the views of staff during regular staff meetings, questionnaires / written feedback from staff and informally by other means.

Performance data and factors affecting data is regularly shared with staff and this data forms a key element of OMAT's strategic plan and each school's annual improvement plan.

Termly newsletters to all staff across the Trust enable staff to stay informed of trust-wide developments. Common training days across the trust, actively engage staff in development and learning opportunities.

Throughout the Covid-19 pandemic, the trust has considered the health and well-being of its employees as the schools have continued to deliver education and wrap around care for pupils during this time. We liaised with employees to ensure that risk assessments were appropriate to each of the school settings during partial closure and wider opening.

**k. Engagement with suppliers, customers and others in a business relationship with the trust**

OMAT actively engages with suppliers through the undertaking of appropriate procurement procedures, contract management and engagement with external partnerships. OMAT is a member of the DfE regulates Crescent Purchasing Consortium which gives access to Best value purchasing frameworks.

The Trust is a strategic partner in Noctua School Alliance and the Leeds Teaching School Hub and works alongside Educate as a delivery partner in ITT.

OMAT actively engages with parents of pupils via the individual schools' parental engagement processes. During the pandemic, direct communication to parents from the CEO has kept parents fully informed of the changing situation.

**Objectives and activities**

**a. Objects and aims**

The Owlcotes Multi Academy Trust was formed on 5th February 2018 with two schools; Pudsey Primrose Hill Primary School and Pudsey Waterloo Primary School converting to join the MAT on 1st March 2018. Calverley Parkside converted and joined the MAT on 1st November 2018 and Armley Park Primary School converted and joined the MAT on 1st December 2019.

Our mission at Owlcotes Multi Academy trust is to improve provision and outcomes for all our pupils by sharing expertise through collaborative practice. Our aims are as follows:

- To develop inclusive schools, sharing a common purpose to provide excellent education and improved outcomes for pupils.
- To provide high-quality education for all children within the local community by inspiring innovation, creativity and aspiration through an enriched curriculum.
- To ensure co-operation and collaboration between schools with a strong focus on staff development.
- To preserve of the unique identity of all schools within the trust.

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

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**Objectives and activities (continued)**

**b. Values**

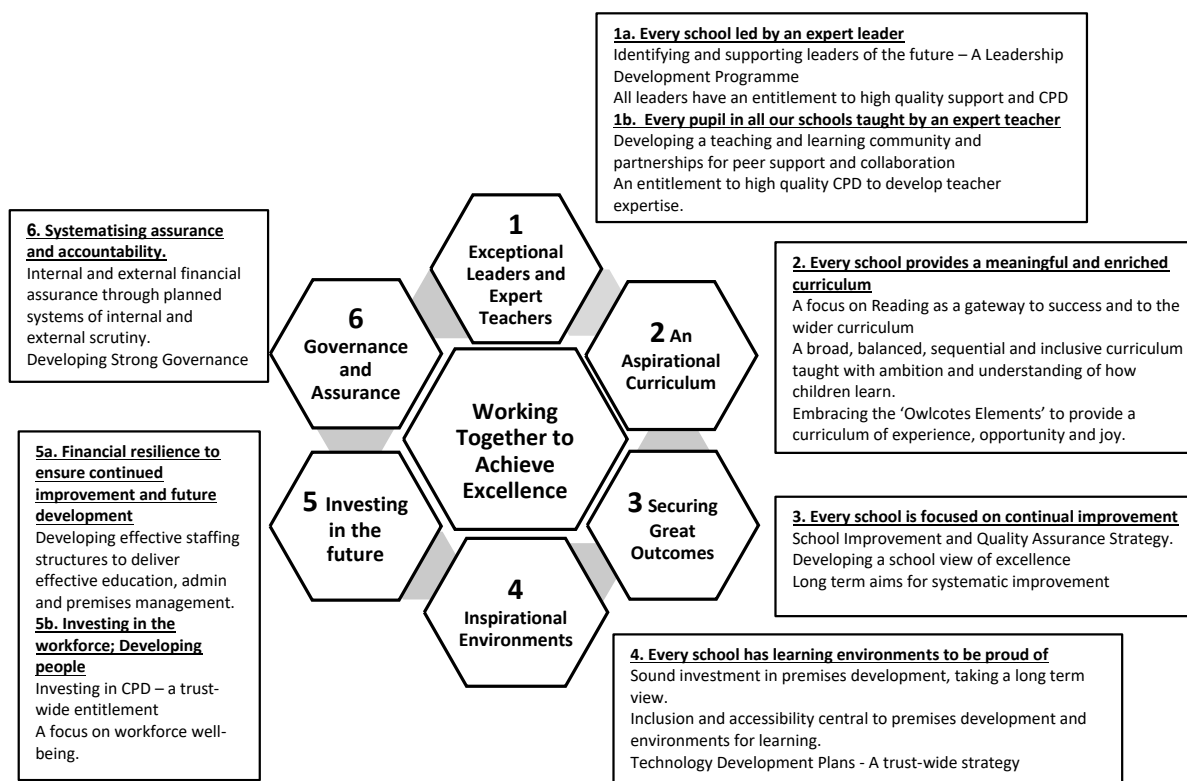
To build a strong network of schools, working collaboratively to provide excellent teaching and learning and curriculum opportunities.

- To maintain and establish excellent schools in local communities so that all schools within the trust are good or better according to Ofsted criteria.
- To keep learning, attainment and progress at the heart of each school. Developing shared accountability for the outcomes of pupils within the trust.
- To focus on making teaching as good as it can be, sharing best practice through a range of CPD opportunities.
- To develop people by attracting and retaining excellent staff, offering promotion within the trusts so that quality staff are retained.
- To ensure good value for money, making the most effective use of resources and staffing.

**c. Objectives, Strategies and Activities**

The trust is at the end of its first era and previous strategic plan and has now established a new strategic plan for the next stage of its development 2021-24. 'Working Together to Achieve Excellence' builds on the successes we have achieved so far. We aim to make a positive difference in our schools by continuing our collaborative work across the following six key priorities on the following page

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

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**Objectives and activities (continued)**

The Owlcotes Academy Trust recognises its important role in supporting schools to flourish and as such, is engaged in school to school support with schools who are not members of the trust. The trust is committed to considering other schools who may wish to join. OMAT will act as a sponsor for schools as directed by the RSC.

OMAT has a transparent leadership structure, clear levels of accountability with three separate boards.

1. Local Governing Board (each school)
2. Board of Trustees
3. Board of Members

Every member of each board is recruited for the skills and expertise they bring to the academy trust and the difference they can make towards ensuring its success. The leadership structure ensures that there is an appropriate focus on school improvement and financial accountability.

The responsibilities for each board are clearly defined in the Owlcotes Multi Academy Trust's scheme of delegation. This scheme takes into account the requirements of the founder schools who are both 'convertor' academies and also the requirements of sponsored schools as the board recognise that the needs of schools joining later may differ depending on their position at the time of conversion.

**d. Public benefit**

The academy trust's aims are set out in this report and are undertaken to further its charitable purposes for the public benefit. The trustees have referred to the guidance on public benefit provided by the Charities Commission when establishing the trust's key aims and objectives.

All the schools within the Academy Trust provide an inclusive curriculum for the pupils within their local community. All schools work with other local primary schools, sharing collaborative approaches to school improvement within the wider community, and with their local secondary schools to ensure a smooth transition into secondary education for all pupils.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

**Context**

All schools in the academy trust are geographically close, located within 15 minutes' travel distance of each other. Two of the schools are two form entry and the remaining two schools are one form entry. All schools have a nursery class and all offer 'wrap around' before and after school care for pupils of statutory school age. Pupil numbers are stable across three of the schools. Armley Park Primary has historically had issues with inconsistent pupil numbers due to high mobility in the catchment area and lower numbers attending the nursery provision. Throughout this year pupil numbers have increased in Early Years and there are positive signs that these children are then applying for places in the Reception class and remaining in the school. Attendance across the trust during 2020-2021 has been significantly affected by the pandemic.

The schools are diverse and the contexts range from schools where there are fewer pupils eligible for free school meals or for pupil premium funding than national, schools broadly in line with national and one school where the number of disadvantaged pupils is well above national. Although below national across the trust, there is an increasing number of pupils who have English as an additional language and one school where numbers are well above national.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

**Key performance indicators**

National assessment tests have not taken place again in 2021 because of the national pandemic. Neither have there been any Ofsted inspections during 2019-20 at any of the schools.

At the end of the academic year 2021, all schools completed end of year assessments and generated teacher assessments for all pupils to identify any gaps in learning and plan effective strategies to address pupils' learning loss for the forthcoming year and as a baseline on which to evaluate progress for the forthcoming year.

All schools have implemented a new knowledge rich curriculum in line with the new Ofsted framework and collaborative planning of History, Geography and Science across the trust has supported all schools in this work. Schools are continuing to work on improving curriculum planning and subject leadership in Foundation subjects.

**Performance of the Trust**

The key objectives in the strategic plan 2019-21 were to:

1. Embed robust structures policies and processes for operation of the multi academy trust.
2. Successfully integrate the second newly sponsored school into the trust.
3. Embed the strong, collaborative approach to school improvement and curriculum development and establish consistent operational models across the trust.
4. Develop governance systems and structures to meet the needs of the trust.

We are proud of our achievements against our objectives and the progress we have made in a relatively short time frame and during a pandemic. Key areas of success include:

1. There is now a central staff team in place and the infrastructure to develop and implement systems and policy frameworks for effective decision-making, accountability and for maximising value for money for the benefit of children and their families.
2. We have created a strong governance model that has a dedicated and skilled trust board committed to continual improvement, supported by strong and improving local governing bodies. The CEO and Trust Development officer have developed a streamlined and rational cycle of governance across the schools in the trust, supported by training and systems for evaluation.
3. The trust is financially secure. The CFO supports schools to review and plan their budgets in order to ensure financial stability and to plan effective short term and long term spending focused on school improvement. Negotiation of contracts and services across the trust has ensured best value, the second sponsored school in the trust has benefited from the financial advice and support offered.
4. There has been a significant investment in our school buildings, all of which have seen investment over the last two years. Urgent premises work has been rapidly addressed, and the MAT central budget has been effectively used to fund improvement projects for schools requiring urgent financial support. Premises development plans for each school are in place so that further improvements can be scheduled in line with the school's budget.
5. All our schools have improved in relation to their starting points on conversion. The curriculum in each school has been given a high priority and as a result of focused planning and our collaborative approaches, the curriculum in each school is effectively planned and ambitious.
6. The last two years have meant that external data for statutory assessments is not available. Our own internal systems for measuring attainment and progress demonstrates, that despite the disruption to teaching and learning during the pandemic, children are making progress relative to their starting points in terms of academic achievement and personal development.

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

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**Strategic report (continued)**

**Achievements and performance (continued)**

7. The trust gives the highest priority to school improvement. The effective central trust team provides a raft of support for all schools, offering financial management and oversight; premises development; compliance monitoring; recruitment support and HR functions. This has enabled school leaders time to focus on improving the quality of education in their own schools.
8. The trust has built a Trust Development Team of accredited SLEs, trained moderators and an NLE to provide school improvement support to schools within the trust.
9. A coaching programme is supporting less experienced teachers within the trust to continue to develop their professional practice.
10. The trust's ambition is to create a collaborative approach to school improvement where each school is an equal partner and can contribute to and learn from the good practice that exists within the trust. We are proud of how effectively we have achieved this ambition within a short space of time. With these solid foundations in place, we are positive about the future, determined to achieve success in all we do and are looking forward to our successes in the next stage of our development.

**b. Going concern**

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

**c. Promoting the success of the company**

The achievements over the past year demonstrate the success of the Owlcotes Multi-Academy Trust. The strategic plan for 2021-24 sets out the aspirations for the future and how future success will be achieved. Performance against the plan is reported to the Trust Board at every meeting, ensuring that all trustees are fully informed of all developments.

**Financial review**

**a. Overview**

**Impact of the Covid-19 Pandemic**

The trust has seen a school level decline in the financial positions compared to the pre-pandemic forecasts. This is largely due to a reduction in extended services income in the schools as before and after school provision was reduced during the periods of lockdown and due to a number of parents working from home and no-longer requiring the services. We have seen a steady increase in demand and are confident that income will be at pre-pandemic levels by the middle of the forthcoming financial year.

The increased 'pandemic related' costs in the schools in the trust (additional cleaning staff, materials, equipment etc) has been offset by savings made from staff vacancies that were not filled due to school closures. Income from school to school support has been affected as work outside the trust has not been done due to Covid

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

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**Strategic report (continued)**

**Financial review (continued)**

restrictions. The trust has, however, secured additional funding going forward from the Teaching School Hub as result of becoming a strategic partner and delivery partners. This future income will offset the losses from the previous year.

The trust incurred costs providing supermarket vouchers to children eligible for free school meals during the pandemic, in line with the DfE scheme. These costs were reclaimed through the Covid19 exceptional cost funding and have been fully reimbursed.

The government announced additional funding to support pupils whose learning has fallen behind where it would otherwise have been expected to be. Each school in the trust is working through their own plans and utilising this funding in the most effective way for their pupils.

**Financial position of the Trust**

The majority of the Trust's income is obtained from the Education Funding Agency (ESFA) in the form of recurrent grants. The use of which is restricted to particular purposes. The grants received during the period ended 31st August 2021 and the associated expenditure are shown under restricted funds in the Statement of Financial Activities.

Total GAG funding for the trust was £4,755k.

The Academy Trust also receives grants for fixed assets from the DfE/ESFA. These grants are shown in the financial statement as restricted income in the fixed asset fund and for the year ended August 2021 totaled £238k.

In addition, the trust receives income for items such as extended services (wrap around care), school meals, school trips, uniform etc. This income is treated as 'unrestricted funds'.

In September 2020 the trust received £27K from the Local Authority representing the surplus balance transferred on conversion of Armley Park Primary school in December 2019.

During the year ended 31<sup>st</sup> August 2021 total expenditure of £4,755k was covered by GAG funding from the ESFA.

The excess of expenditure over income was £514k.

The reserves position at 31<sup>st</sup> August 2021 is as follows:  
Restricted funds excluding pension reserve £16,168k.  
Unrestricted funds (General Fund) £2,288k.

At the end of August 2021 no schools were in a deficit position.

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

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**Strategic report (continued)**

**Financial review (continued)**

**b. Reserves policy**

The board of trustees is responsible for managing fluctuations in the overall financial position of the trust, and reviews the level of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income and commitments and the nature of the reserves. Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during risk reviews.

Trustees have a policy which outlines the levels of reserves held in each school and centrally and which outlines the restrictions on the use of the reserves to enable any investment decisions to be made across the trust as a whole. Trustees are aware that it will be necessary to ensure that the level of free reserves should provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or building plans.

Reserves at the end of the year are held to:

- Contribute to capital projects
- Ensure the trust can meet financial commitments which have been made
- Meet cash flow requirements
- Ensure there is a contingency against unforeseen events
- Provide immediate resource/ capacity requirements where there is a compelling need.

Schools are able to apply for a 'loan' from the reserves with an agreed pay back schedule, or a grant from the reserves, subject to a business case linked to the trust's Strategic Plan or to emergency, unforeseen situations.

The level of free reserves at 31st August 2021 was £2,288k.

**c. Investments policy**

The academy trusts funds are held in low risk bank accounts. Trustees have agreed an Investments Policy which has the following key objectives:

- To achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- To only invest funds surplus to operational need or expansion based on all financial commitments being met without the academy trust or individual school banks account becoming overdrawn.
- To ensure that all investment decisions are exercised with care and skill and consequently in the best interests of the academy trust, commanding broad public support.



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

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**Strategic report (continued)**

**Financial review (continued)**

**d. Principal risks and uncertainties**

The trustees have established a robust risk management process across the Trust, which has highlighted 4 major risks at this point:

**i. Future funding levels**

The main risk to the trust going forward is uncertainty about funding levels, with rising costs and pay increases for staff and pupil numbers on roll, particularly at Armley Park where pupil mobility is an issue. Additionally, pressure within Leeds on high needs funding has meant that the costs of supporting pupils with additional needs is significantly higher than the funding received in all schools. This underfunding is set to continue which contributes to the pressure on the school budgets. Measures in place to control this risk include:

- Scenario budget planning for 1; 3 and 5 years.
- Marketing school places via social media and online initiatives (necessary due to coronavirus).
- Reducing costs by implementing some shared staff across the academy trust.
- Reducing costs by sharing resources across the academy trust.
- Review of costings on renewal of key contracts for services and purchasing resources. This is an area of continued focus.

**ii. Reduced income streams**

For a number of years, the trust has generated income from ITT bursaries with Primrose Hill acting as a lead school within the area for ITT provision. The change to government funding and the removal of bursaries for Primary ITT has reduced this income significantly.

For the year ended 31<sup>st</sup> August 2021, income was reduced by £1,763K when compared to the previous year. The trust has since entered into a partnership which has enabled the lead school to provide fee funded places with a projected income generation increase over the next reporting year, and is actively seeking new partnerships for future sustainability.

**iii. Failure to meet legal and statutory obligations**

The trustees have also identified the risk from legal action if the trust fails to meet its legal obligations. This is mitigated by the following:

- Establishment and implementation of appropriate policies.
- Training on GDPR legislation and employing the services of a data protection officer
- Support from specialists including health & safety, finance, legal and HR via appropriate service level agreements
- Working with a consultant from an established academy trust to provide support on statutory financial and legal obligations.

**iv. Decline in results**

A decline in results over a period of time could impact Ofsted ratings, the reputation of the Trust and its capacity to grow. Mitigating actions include:

- Focus of the Executive Leadership Team on continuous improvement in teaching and learning
- Establishment of the Trust Development Team to support school improvement across the trust including

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**Strategic report (continued)**

**Financial review (continued)**

- accurate self-assessment and validation of school improvement interventions.
- Prioritisation on key areas for development in each school in the academy trust with appropriate funding.
- Planning for and funding blended learning/remote learning/catch-up interventions to ensure pupils have the best chance of making progress during this challenging period.
- Establishing partnerships with other multi-academy trusts to provide an external view on school effectiveness and improvement strategies.

**Fundraising**

The academy trust does not use any professional fundraiser or commercial participator to carry out activities on its behalf. Due to the low levels of fundraising the trust undertakes, the trust is not a participator of any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the trust. Fundraising has not been significantly affected by the coronavirus pandemic, with the exception of a reduction in the PTA activities and related funding across the trust.

**Plans for future periods**

The academy trust is committed to the development of inclusive schools which provide a broad, balanced and relevant curriculum. The academy trust aspires to ensure equality of opportunity for all pupils and staff. Our plans for the next three years include a focus on six areas which are:

1. (a) Every school led by an expert leader.  
(b) All pupils in all our schools taught by expert teachers.
2. Every school prioritises an aspirational and enriched curriculum within a culture of inclusion, diversity and opportunity.
3. Every school focused on continual improvement from its starting point to achieve great outcomes.
4. Every school has inspirational learning environments with up to date technological infrastructure in premises that are fit for purpose.
5. (a) Every school's financial resources are focused on investing in the future to ensure financial resilience.  
(b) Every school is focused on workforce development.
6. All schools demonstrate effective accountability with a framework of strong governance.

Our employees are key to the success of the trust and therefore we are committed to developing people within the trust. We have made key senior leadership appointments at trust level which will support our drive to develop leadership at all levels.

CPD is given a high priority for all staff in school through a planned programme of external courses, access to National Professional Leadership Qualifications, online CPD, in-school training, coaching, mentoring and peer support, particularly for teachers early in their career through the Early Career Framework and the ElevatED programme.

We have developed a collaborative learning community across the trust, enabling all staff in our schools to engage positively with subject, phase and staff teams to share and learn from best practice.

**Funds held as a Custodian Trustee on Behalf of Others**

The Financial Statements do not include any balances on funds that the trust is holding as a custodian on behalf of others.

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**OWLCOTES MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

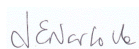
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**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 9 December 2021 and signed on its behalf by:



**J Norfolk**  
Chair of Trustees

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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Owlcotes Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. As trustees we have reviewed and taken account of the guidance in the DfE's Governance handbook and competency framework for governance.

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Owlcotes Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**Leadership and management of schools within the academy trust**

This is undertaken on a day-to-day basis by the Headteachers and senior staff in each school. The Headteachers, led by the CEO, determine the strategic issues in each school which are identified through the school improvement priorities. The Headteachers are subject to annual appraisal as is the CEO.

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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance**

The information on governance included here supplements that described in the Trustees' report and in the statement of trustees' responsibilities. During the year S Greene who has expertise in business continuity and risk management joined the board of trustees and the Finance, risk and audit committee. K Wilkinson, who is a governance professional and a National Leader for Governance also joined the trust board and the Achievement and Standards committee. The board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
R Gibson	6	6
G Grant	4	5
S Hall	5	6
J Norfolk	6	6
L West	6	6
J Woods	6	6
S Greene	4	5
K Armstrong, (appointed 15 October 2020)	0	2
M Sherburn, (appointed 15 October 2020)	0	0
K Wilkinson	4	5

The Finance, Risk and Audit Committee is a sub-committee of the main board of Trustees. Its remit is to ensure sound management of the trusts finances and resources. The committee advises the Board and the accounting officer (CEO) of the effectiveness of the trusts internal controls, risk management, and financial systems and frameworks. Decisions taken are in line with the scheme of delegation and committee terms of reference.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Gibson (chair)	6	6
S Greene	3	4
G Grant	4	6
J Norfolk	6	6
L West	6	6
J Woods	3	3

The Achievement & Standards Committee is also a sub-committee of the main board of Trustees. Its remit is to monitor and advise the Board of Trustees regarding outcomes for pupils, the quality of curriculum provision and performance across the trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
K Wilkinson (chair)	3	3
J Woods	2	3
J Norfolk	3	3
L West	3	3

**Review of Governance**

The Owlcotes Multi-Academy Trust was established on 5th Feb 2018 with the core purpose of development of providing excellent education and improved outcomes for pupils in the local community.

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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

At the outset, founder members and trustees with relevant experience of education, finance, business and the local community were selected. As a result of a skills audit and evaluation framework, the trust board advertised for additional trustees to increase the number of trustees on the board in line with identified skills gaps. These two vacancies were filled by November 2021, adding additional skill and capacity to the board.

Trustees, the CEO and Headteachers at each school are committed to the core purpose of the academy trust and are continuing to develop and implement plans to deliver the aims and objectives.

**Trust Board Effectiveness**

As a result of the pandemic, and two relatively new schools with newly appointed Headteachers, trustees have faced a number of key challenges this year.

Significant and positive steps during this year have included; establishing a fully functioning central team, systems, policies and procedures across the trust including financial policies and a comprehensive risk register. Two successful Condition Improvement Bids totalling £439,273 for health and safety and building improvement work.

The establishment of Owlcotes collaborative learning community and shared curriculum, shared planning and shared resources to support consistency of teaching across schools in the trust.

All trustees have a good understanding of their financial roles and responsibilities. The CFO has reported on all financial aspects and budget monitoring to the full trust board. As a result, the full trust board has reviewed the academy trust revenue budget, received periodic budget monitoring reports; set and agreed the accounting and financial policies; ensured compliance with the Academies Financial Handbook; advised and agreed the appointment of external auditors; approved and monitored the risk assessment policy and risk register.

CEO reports to the board of trustees keep all trustees informed of developments within each school and across the trust, including key priorities, standards and achievement and staffing and recruitment issues and a comprehensive trust improvement plan, supported by detailed school improvement plans is maintaining the focus on improving outcomes across all schools.

Regular 'keep in touch' meetings between the CEO, Chair and vice chair of trustees are beneficial in planning the work of the board of trustees and in ensuring trustee meetings have addressed issues of compliance during the year.

The scheme of delegation identifies that a system of sub-committees with delegated responsibilities operate (Finance, Risk & Audit and Achievement and Standards). Each committee membership has been confirmed including the election of chairs of each committee.

**Future review of effectiveness of the trust board**

The board completes an annual review of its effectiveness and skills. During the period 1st September 2020 to 31st August 2021 the Trustees undertook a comprehensive review of the effectiveness of governance via a self-evaluation tool. Actions have been planned to address any issues identified.

As the trust has matured, the data and other information provided to the board and/or to the sub-committees has developed. The information pack for trustees, updated annually, provides trustees with contextual information for each school and the trust as a whole in terms of budget, finance, school improvement, staffing and outcomes.

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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

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

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

- Working to maximize areas of expertise across the academy trust so as to reduce inefficiencies.
- Adapting staffing structures in each school as appropriate to reflect trust wide developments.
- Sharing resources, including staff, across the trust to maximize value for money.
- Using expertise from established MATs to develop the efficiency and expertise of staff within the central team.
- Tight budgetary control to ensure that all purchases are approved by Headteachers.
- Buying resources 'across the MAT' at a reduced cost.
- Becoming a member of the DfE regulated Crescent Purchasing Consortium which gives access to Best Value purchasing frameworks.

**Supporting suppliers during the pandemic**

Our Trust continued to support its suppliers during the Covid 19 pandemic. We ensured that all invoices continued to be paid on time, in line with our usual 28 day payment schedule. At no time were supplier payments delayed, the continuity of service from the Trust finance department was never disrupted and this therefore ensured suppliers and contractors received timely payments.

Owlcotes Multi Academy Trust had a number of residential bookings and visits booked across the schools and we ensured that we secured rescheduled visits later in the year rather than cancelling these bookings, therefore avoiding any financial hardship to the supplier.

As a Trust we also continued the payment schedule for providers with whom we had an ongoing agreement or SLA – even though the usual service they provided was delivered in a very different format – for instance The Catering Agency who provide the school meals and also the Leeds Rugby Foundation who provide a Sports Partnership Officer to each of the schools within the Trust. Both of these providers continued to provide a reduced provision to the schools throughout the pandemic and the Trust continued to pay for this service.

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

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

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Owlcotes Multi Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 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 and the risk register is a standing agenda item at all trustee meetings.

**The risk and control framework**

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

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

The board of trustees has considered the need for a specific internal audit function and after a procurement process appointed Leeds City Council to fulfil the internal audit function in relation to audit of grant funding, and an audit of financial systems and processes.

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

- Testing of procedures for creditor payments and payroll
- Testing of bank account control procedures including payment of invoices and bank reconciliations.
- Testing of procedures for asset management/ audit of asset registers.

On a termly basis, reports from internal audit processes are shared with the board of trustees through the finance, risk and audit committee. This process gives information on the operation of the systems of control being tested via a detailed report from the auditor with findings and recommendations. The statement of internal control, is an annual summary outlining areas reviewed, key findings, recommendation and conclusions to help the committee consider actions and assess year, on year progress. There were no material control issues arising as a result of the internal auditor's work. The statement of internal control for the year ended August 2021 was approved by trustees on 21<sup>st</sup> October 2021.



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**OWLCOTES MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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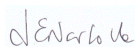
**Review of effectiveness**

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

- The financial management and governance self-assessment process.
- Advice from the consultant CFO who has been appointed to advise the academy trust and support the academy trust's CFO in her role.
- The work of the executive managers within the academy trust who have responsibility for the maintenance of the internal control framework.
- Leeds City Council internal audit processes and findings.
- Audit of grant funding and assurance statements
- Audit of school assets against an asset audit register.
- Reports from the external auditor.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the financ, risk and audit committee and the board of trustees and a plan to 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:



**J Norfolk**  
Chair of Trustees  
Date: 9 December 2021



**L West**  
Accounting Officer

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**OWLCOTES MULTI ACADEMY TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

- There is an immaterial unreconciled difference on the bank account at the year end date.



**L West**  
Accounting Officer  
Date: 9 December 2021

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**OWLCOTES MULTI ACADEMY TRUST**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 9 December 2021 and signed on its behalf by:

**J Norfolk**  
Chair of Trustees



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**OWLCOTES MULTI ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
OWLCOTES MULTI ACADEMY TRUST**

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**Opinion**

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

**Conclusions relating to going concern**

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 trust'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.

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

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**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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

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

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**Responsibilities of trustees**

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

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

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

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**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. Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and noncompliance with laws and regulations are set out below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of noncompliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the academy trust operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Academies Accounts Direction and Academies Handbook issued by the Education & Skills Funding Agency, Companies Act 2006, together with the Charities SORP (FRS102) 2019.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the academy trust's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the academy trust for fraud. The laws and regulations we considered in this context were Regulations from the Education & Skills Funding Agency and requirements from funders.

Auditing standards limit the required audit procedures to identify noncompliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and donation income and the override of controls by management.

Our audit procedures to respond to these risks included:

- enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities,
- sample testing on the posting of journals,
- reviewing accounting estimates for biases,
- reviewing funding documents and carrying out detailed substantive testing on the completeness of income,
- reading minutes of meetings of those charged with governance; and
- reviewing any regulatory correspondence with the Education & Skills Funding Agency.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some

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

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material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed noncompliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of nondetection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect noncompliance with all laws and regulations.

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

*Susan Seaman*

**Susan Seaman BA FCA CIOT (senior statutory auditor)**

for and on behalf of

**Sagars Accountants Ltd**

Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

17 December 2021



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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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In accordance with the terms of our engagement letter dated 18 July 2018 and further to the requirements of the Education & 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 Owlcotes Multi Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Owlcotes Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Owlcotes Multi Academy Trust's funding agreement with the Secretary of State for Education dated 27 February 2018 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 Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

- Review of the systems and assessment of the design and operational effectiveness of the internal controls
- Detailed testing based on our assessment of risk of income and expenditure
- Making appropriate enquires of the Accounting Officer

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**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

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**Conclusion**

In the course of our work, except for the matters listed below 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.

- There is an immaterial unreconciled difference on the bank account at the year end date.

*Sagars*

**Reporting Accountant**

**Sagars Accountants Ltd**  
Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

Date: 17 December 2021

**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Note					
<b>Income from:</b>					
Donations and capital grants:					
3					
Transfer on conversion	-	-	-	-	2,250
Other donations and capital grants	3	-	238	241	120
Charitable activities	4	6,467	-	6,857	6,484
Other trading activities	5	-	-	-	5
Investments	6	-	-	-	2
	<b>393</b>	<b>6,467</b>	<b>238</b>	<b>7,098</b>	<b>8,861</b>
<b>Expenditure on:</b>					
Charitable activities	7	7,052	318	7,393	6,915
	<b>23</b>	<b>7,052</b>	<b>318</b>	<b>7,393</b>	<b>6,915</b>
<b>Net movement in funds before other recognised gains/(losses)</b>					
	<b>370</b>	<b>(585)</b>	<b>(80)</b>	<b>(295)</b>	<b>1,946</b>
<b>Other recognised gains/(losses):</b>					
Actuarial losses on defined benefit pension schemes	23	(219)	-	(219)	(649)
	<b>370</b>	<b>(804)</b>	<b>(80)</b>	<b>(514)</b>	<b>1,297</b>

**OWLCOTES MULTI ACADEMY 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 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
<b>Reconciliation of funds:</b>					
Total funds brought forward	1,918	(3,794)	16,248	14,372	13,075
Net movement in funds	370	(804)	(80)	(514)	1,297
<b>Total funds carried forward</b>	<b>2,288</b>	<b>(4,598)</b>	<b>16,168</b>	<b>13,858</b>	<b>14,372</b>

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

The notes on pages 38 to 63 form part of these financial statements.

**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11188252**

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

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Intangible assets	14	14	23
Tangible assets	15	16,177	16,208
		<u>16,191</u>	<u>16,231</u>
<b>Current assets</b>			
Debtors	16	129	156
Cash at bank and in hand		2,579	2,299
		<u>2,708</u>	<u>2,455</u>
Creditors: amounts falling due within one year	17	(443)	(478)
<b>Net current assets</b>		<u>2,265</u>	<u>1,977</u>
<b>Total assets less current liabilities</b>		<u>18,456</u>	<u>18,208</u>
<b>Net assets excluding pension liability</b>		<u>18,456</u>	<u>18,208</u>
Defined benefit pension scheme liability	23	(4,598)	(3,836)
<b>Total net assets</b>		<u><u>13,858</u></u>	<u><u>14,372</u></u>
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	16,168	16,248
Restricted income funds	18	-	42
		<u>16,168</u>	<u>16,290</u>
Restricted funds excluding pension asset	18	16,168	16,290
Pension reserve	18	(4,598)	(3,836)
<b>Total restricted funds</b>	18	<u>11,570</u>	<u>12,454</u>
<b>Unrestricted income funds</b>	18	<u>2,288</u>	<u>1,918</u>
<b>Total funds</b>		<u><u>13,858</u></u>	<u><u>14,372</u></u>

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11188252**

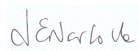
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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

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The financial statements on pages 33 to 63 were approved by the Trustees, and authorised for issue on 09 December 2021 and are signed on their behalf, by:

**J Norfolk**  
Chair of Trustees

A handwritten signature in blue ink that reads "J Norfolk". The signature is written in a cursive style and is positioned to the right of the printed name and title.

The notes on pages 38 to 63 form part of these financial statements.

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**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

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	<b>Note</b>	<b>2021</b> <b>£000</b>	<i>2020</i> <i>£000</i>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<b>320</b>	501
<b>Cash flows from investing activities</b>	21	<b>(40)</b>	(66)
<b>Change in cash and cash equivalents in the year</b>		<b>280</b>	435
Cash and cash equivalents at the beginning of the year		<b>2,299</b>	1,864
<b>Cash and cash equivalents at the end of the year</b>	22	<u><b>2,579</b></u>	<u>2,299</u>

The notes on pages 38 to 63 form part of these financial statements

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

Owlcotes Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

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



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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

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

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

• **Donations**

Donations are recognised on a receivable basis (where 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 trust has provided the goods or services.

• **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

• **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

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

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

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

**1.7 Intangible assets**

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer software	- 33 %
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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.8 Tangible fixed assets**

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following basis:

Long-term leasehold property	-	2%
Furniture and equipment	-	20%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities**

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

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.12 Provisions**

Provisions are recognised when the academy trust 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.

**1.13 Operating leases**

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

**1.14 Pensions**

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

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

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

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

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**OWLCOTES MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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

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**1. Accounting policies (continued)**

**1.15 Fund accounting**

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

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

**OWLCOTES MULTI ACADEMY 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 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Donations	3	-	-	<b>3</b>	4
Capital Grants	-	-	238	<b>238</b>	116
Transfer on conversion	-	-	-	-	2,250
	<u>3</u>	<u>-</u>	<u>238</u>	<u><b>241</b></u>	<u>2,370</u>
<i>Total 2020</i>	<u>31</u>	<u>(357)</u>	<u>2,696</u>	<u>2,370</u>	

**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

**4. Funding for the academy trust's direct costs**

	<b>Unrestricted funds 2021 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,755	<b>4,755</b>	4,390
Universal Free School Meal	-	169	<b>169</b>	141
Pupil Premium	-	338	<b>338</b>	308
Sports Grant	-	74	<b>74</b>	64
Other DfE/ESFA grants	-	295	<b>295</b>	384
	-	5,631	<b>5,631</b>	5,287
<b>Other Government grants</b>				
Early years funding	-	639	<b>639</b>	556
Local authority grants	-	-	-	23
Initial teacher training	-	99	<b>99</b>	151
	-	738	<b>738</b>	730
Other income from the academy trust's educational operations	390	-	<b>390</b>	467
	390	-	<b>390</b>	467
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	96	<b>96</b>	-
	-	96	<b>96</b>	-
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other COVID-19 funding	-	2	<b>2</b>	-
	390	6,467	<b>6,857</b>	6,484
<i>Total 2020</i>	467	6,017	6,484	

**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Lettings income	-	-	5

**6. Investment income**

	<b>Unrestricted funds 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Bank interest	-	-	2

**7. Expenditure**

	<b>Staff Costs 2021 £000</b>	<b>Premises 2021 £000</b>	<b>Other 2021 £000</b>	<b>Total 2021 £000</b>	<i>Total 2020 £000</i>
Academy trust's educational operations					
Direct costs	4,932	-	454	<b>5,386</b>	4,981
Allocated support costs	617	767	623	<b>2,007</b>	1,934
	<u>5,549</u>	<u>767</u>	<u>1,077</u>	<u><b>7,393</b></u>	<u>6,915</u>
<i>Total 2020</i>	<u>5,266</u>	<u>563</u>	<u>1,086</u>	<u>6,915</u>	



**OWLCOTES MULTI ACADEMY TRUST**  
(A company limited by guarantee)

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

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2021 £000</b>	<b>Support costs 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Academy trust's educational operations	5,386	2,007	<b>7,393</b>	6,915
<i>Total 2020</i>	<u>4,981</u>	<u>1,934</u>	<u>6,915</u>	

**Analysis of support costs**

	<b>Activities 2021 £000</b>	<b>Total funds 2021 £000</b>	<i>Total funds 2020 £000</i>
Staff costs	617	<b>617</b>	636
Depreciation	318	<b>318</b>	286
Other support costs	609	<b>609</b>	717
Premises costs	449	<b>449</b>	277
Governance costs	14	<b>14</b>	18
	<u>2,007</u>	<u>2,007</u>	<u>1,934</u>

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

Net income/(expenditure) for the year includes:

	<b>2021 £000</b>	<i>2020 £000</i>
Operating lease rentals	<b>16</b>	16
Depreciation of tangible fixed assets	<b>318</b>	285
Fees paid to auditors for:		
- audit	<b>11</b>	10
	<u>345</u>	<u>311</u>

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

**10. Staff costs**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Wages and salaries	<b>3,918</b>	<i>3,779</i>
Social security costs	<b>343</b>	<i>269</i>
Pension costs	<b>1,270</b>	<i>1,151</i>
	<b>5,531</b>	<i>5,199</i>
Agency staff costs	<b>18</b>	<i>19</i>
	<b>5,549</b>	<i>5,218</i>

**b. Staff numbers**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
Teachers	<b>49</b>	<i>69</i>
Administration and support	<b>121</b>	<i>125</i>
Management	<b>13</b>	<i>15</i>
	<b>183</b>	<i>209</i>

**c. 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>-</b>	<i>1</i>
In the band £70,001 - £80,000	<b>1</b>	<i>-</i>
In the band £100,001 - £110,000	<b>-</b>	<i>1</i>
In the band £110,001 - £120,000	<b>1</b>	<i>-</i>

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**10. Staff costs (continued)**

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £209,748 (2020: £198,091).

**11. Central services**

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

- Payroll
- HR Services
- CEO/CFO
- Audit fees
- Finance system

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

5% of GAG and Early Years Funding

The actual amounts charged during the year were as follows:

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Pudsey Primrose Hill Primary School	<b>67</b>	<i>75</i>
Pudsey Waterloo Primary School	<b>75</b>	<i>74</i>
Calverley Primary School	<b>25</b>	<i>38</i>
Armley Park Primary School	<b>22</b>	<i>32</i>
<b>Total</b>	<b>189</b>	<i>219</i>

**12. Trustees' remuneration and expenses**

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

		<b>2021</b>	<i>2020</i>
		<b>£000</b>	<i>£000</i>
L West (Headteacher, trustee and CEO)	Remuneration	<b>110 - 115</b>	<i>100 - 105</i>
	Pension contributions paid	<b>25 - 30</b>	<i>20 - 25</i>

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to any Trustee (2020 - £408 to 1 Trustee).

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

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**13. Trustees' and Officers' insurance**

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

**14. Intangible assets**

	<b>Computer software £000</b>
<b>Cost</b>	
At 1 September 2020	28
Additions	1
	<hr/>
At 31 August 2021	29
	<hr/>
<b>Amortisation</b>	
At 1 September 2020	5
Charge for the year	10
	<hr/>
At 31 August 2021	15
	<hr/>
<b>Net book value</b>	
At 31 August 2021	14
	<hr/> <hr/>
<i>At 31 August 2020</i>	23
	<hr/> <hr/>

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

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Total £000
<b>Cost or valuation</b>				
At 1 September 2020	16,660	135	43	16,838
Additions	178	38	61	277
Transfers between classes	135	(135)	-	-
At 31 August 2021	<u>16,973</u>	<u>38</u>	<u>104</u>	<u>17,115</u>
<b>Depreciation</b>				
At 1 September 2020	621	-	9	630
Charge for the year	293	-	15	308
At 31 August 2021	<u>914</u>	<u>-</u>	<u>24</u>	<u>938</u>
<b>Net book value</b>				
At 31 August 2021	<u><u>16,059</u></u>	<u><u>38</u></u>	<u><u>80</u></u>	<u><u>16,177</u></u>
<i>At 31 August 2020</i>	<u><u>16,039</u></u>	<u><u>135</u></u>	<u><u>34</u></u>	<u><u>16,208</u></u>

**16. Debtors**

	2021 £000	2020 £000
<b>Due within one year</b>		
Other debtors	53	51
Prepayments and accrued income	76	105
	<u>129</u>	<u>156</u>

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

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Trade creditors	<b>298</b>	<i>169</i>
Other creditors	<b>58</b>	<i>69</i>
Accruals and deferred income	<b>87</b>	<i>240</i>
	<u><b>443</b></u>	<u><i>478</i></u>
	<u><b>443</b></u>	<u><i>478</i></u>
	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Deferred income at 1 September 2020	<b>90</b>	<i>102</i>
Resources deferred during the year	<b>87</b>	<i>90</i>
Amounts released from previous periods	<b>(90)</b>	<i>(102)</i>
	<u><b>87</b></u>	<u><i>90</i></u>
	<u><b>87</b></u>	<u><i>90</i></u>

At the balance sheet date, the academy trust was holding funds received in advance for free school meals that has been deferred to the next accounting period.

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**18. Statement of funds**

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
<b>Unrestricted funds</b>					
General Funds - all funds	1,918	393	(23)	-	2,288
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	4,755	(4,755)	-	-
Pupil Premium	-	338	(338)	-	-
Sports Grant	42	74	(116)	-	-
Initial Teacher Training	-	99	(99)	-	-
Other grants	-	1,201	(1,201)	-	-
Pension reserve	(3,836)	-	(543)	(219)	(4,598)
	<u>(3,794)</u>	<u>6,467</u>	<u>(7,052)</u>	<u>(219)</u>	<u>(4,598)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	16,248	-	(294)	-	15,954
DfE Group capital grants	-	238	(24)	-	214
	<u>16,248</u>	<u>238</u>	<u>(318)</u>	<u>-</u>	<u>16,168</u>
<b>Total Restricted funds</b>	<u>12,454</u>	<u>6,705</u>	<u>(7,370)</u>	<u>(219)</u>	<u>11,570</u>
<b>Total funds</b>	<u>14,372</u>	<u>7,098</u>	<u>(7,393)</u>	<u>(219)</u>	<u>13,858</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the academies. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

Other restricted funds relate to specific grants or funding received and will be spent in accordance with the funding agreement.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes.

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

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

**Total funds analysis by academy**

Fund balances at 31 August 2021 were allocated as follows:

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Pudsey Primrose Hill Primary School (included ITT)	<b>1,007</b>	<i>1,005</i>
Pudsey Waterloo Primary School	<b>498</b>	<i>409</i>
Calverley Primary School	<b>221</b>	<i>202</i>
Armley Park Primary School	<b>294</b>	<i>56</i>
Central Services	<b>268</b>	<i>288</i>
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	<b>2,288</b>	<i>1,960</i>
Restricted fixed asset fund	<b>16,168</b>	<i>16,248</i>
Pension reserve	<b>(4,598)</b>	<i>(3,836)</i>
	<hr/>	<hr/>
<b>Total</b>	<b>13,858</b>	<i>14,372</i>
	<hr/> <hr/>	<hr/> <hr/>



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**18. Statement of funds (continued)**

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £000</b>	<b>Other support staff costs £000</b>	<b>Educational supplies £000</b>	<b>Other costs excluding depreciation £000</b>	<b>Total 2021 £000</b>	<i>Total 2020 £000</i>
Pudsey Primrose Hill Primary School (included ITT)	1,510	243	111	434	<b>2,298</b>	2,279
Pudsey Waterloo Primary School	1,419	266	110	398	<b>2,193</b>	2,141
Calverley Primary School	668	135	74	169	<b>1,046</b>	989
Armley Park Primary School	622	84	72	247	<b>1,025</b>	793
Central services	31	84	10	388	<b>513</b>	427
<b>Academy trust</b>	<b>4,250</b>	<b>812</b>	<b>377</b>	<b>1,636</b>	<b>7,075</b>	<b>6,629</b>

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

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

	<i>Balance at 1 September 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2020 £000</i>
<b>Unrestricted funds</b>					
General Funds - all funds	1,614	505	(201)	-	1,918
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	4,390	(4,390)	-	-
Pupil Premium	-	308	(308)	-	-
Sports Grant	-	64	(22)	-	42
Initial Teacher Training	-	151	(151)	-	-
Other grants	-	1,104	(1,104)	-	-
Other grants transferred on conversion	16	-	(16)	-	-
Pension reserve	(2,393)	(357)	(437)	(649)	(3,836)
	<u>(2,377)</u>	<u>5,660</u>	<u>(6,428)</u>	<u>(649)</u>	<u>(3,794)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	13,764	2,580	(96)	-	16,248
DfE Group capital grants	74	116	(190)	-	-
	<u>13,838</u>	<u>2,696</u>	<u>(286)</u>	<u>-</u>	<u>16,248</u>
<b>Total Restricted funds</b>	<u>11,461</u>	<u>8,356</u>	<u>(6,714)</u>	<u>(649)</u>	<u>12,454</u>
<b>Total funds</b>	<u><u>13,075</u></u>	<u><u>8,861</u></u>	<u><u>(6,915)</u></u>	<u><u>(649)</u></u>	<u><u>14,372</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2021 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Tangible fixed assets	-	-	16,177	<b>16,177</b>
Intangible fixed assets	-	-	14	<b>14</b>
Current assets	2,708	-	-	<b>2,708</b>
Creditors due within one year	(420)	-	(23)	<b>(443)</b>
Provisions for liabilities and charges	-	(4,598)	-	<b>(4,598)</b>
<b>Total</b>	<u>2,288</u>	<u>(4,598)</u>	<u>16,168</u>	<u><b>13,858</b></u>

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Restricted fixed asset funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	-	-	16,208	16,208
Intangible fixed assets	-	-	23	23
Current assets	2,396	42	17	2,455
Creditors due within one year	(478)	-	-	(478)
Provisions for liabilities and charges	-	(3,836)	-	(3,836)
<b>Total</b>	<u>1,918</u>	<u>(3,794)</u>	<u>16,248</u>	<u>14,372</u>

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**20. Reconciliation of net (expenditure)/income to net cash flow from operating activities**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Net (expenditure)/income for the year (as per statement of financial activities)	<b>(295)</b>	<i>1,946</i>
<b>Adjustments for:</b>		
Amortisation	<b>10</b>	<i>5</i>
Depreciation	<b>308</b>	<i>281</i>
Capital grants from DfE and other capital income	<b>(238)</b>	<i>(116)</i>
Interest receivable	<b>-</b>	<i>(7)</i>
Defined benefit pension scheme obligation inherited	<b>-</b>	<i>357</i>
Defined benefit pension scheme cost less contributions payable	<b>480</b>	<i>389</i>
Defined benefit pension scheme finance cost	<b>63</b>	<i>48</i>
Decrease in debtors	<b>27</b>	<i>105</i>
(Decrease)/increase in creditors	<b>(35)</b>	<i>73</i>
Transfer of fixed assets on conversion	<b>-</b>	<i>(2,580)</i>
<b>Net cash provided by operating activities</b>	<b>320</b>	<i>501</i>

**21. Cash flows from investing activities**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Dividends, interest and rents from investments	<b>-</b>	<i>7</i>
Purchase of intangible assets	<b>(1)</b>	<i>(28)</i>
Purchase of tangible fixed assets	<b>(277)</b>	<i>(161)</i>
Capital grants from DfE Group	<b>238</b>	<i>116</i>
<b>Net cash used in investing activities</b>	<b>(40)</b>	<i>(66)</i>

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Cash in hand	<b>2,579</b>	<i>2,299</i>
<b>Total cash and cash equivalents</b>	<b>2,579</b>	<i>2,299</i>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Pension commitments**

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

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

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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**23. Pension commitments (continued)**

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

The employer's pension costs paid to TPS in the year amounted to £536,095 (2020 - £421,947).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £353,000 (2020 - £331,000), of which employer's contributions totalled £264,000 (2020 - £247,000) and employees' contributions totalled £ 89,000 (2020 - £84,000). The agreed contribution rate for future years is 15.9 per cent for employers.

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>
	%	%
Rate of increase in salaries	<b>3.85</b>	3.45
Rate of increase for pensions in payment/inflation	<b>2.60</b>	2.20
Discount rate for scheme liabilities	<b>1.70</b>	1.70
Inflation assumption (CPI)	<b>2.60</b>	2.20

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>
	Years	Years
<i>Retiring today</i>		
Males	<b>21.9</b>	21.8
Females	<b>24.7</b>	24.6
<i>Retiring in 20 years</i>		
Males	<b>22.6</b>	22.5
Females	<b>25.8</b>	25.7

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**23. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Discount rate +0.1%	<b>8,785</b>	<i>7,007</i>
Discount rate -0.1%	<b>9,300</b>	<i>7,418</i>
Mortality assumption - 1 year increase	<b>8,695</b>	<i>7,469</i>
Mortality assumption - 1 year decrease	<b>9,381</b>	<i>6,949</i>
CPI rate +0.1%	<b>9,083</b>	<i>7,245</i>
CPI rate -0.1%	<b>8,993</b>	<i>7,173</i>

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

	<b>At 31 August 2021</b>	<i>At 31 August 2020</i>
	<b>£000</b>	<i>£000</i>
Equities	<b>3,561</b>	<i>2,624</i>
Gilts	<b>355</b>	<i>327</i>
Corporate bonds	<b>195</b>	<i>169</i>
Property	<b>169</b>	<i>145</i>
Cash and other liquid assets	<b>98</b>	<i>57</i>
Other	<b>62</b>	<i>51</i>
<b>Total market value of assets</b>	<b>4,440</b>	<i>3,373</i>

The actual return on scheme assets was £745,000 (2020 - £122,000).

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Current service cost	<b>(744)</b>	<i>(636)</i>
Interest cost	<b>(63)</b>	<i>(48)</i>
<b>Total amount recognised in the Statement of financial activities</b>	<b>(807)</b>	<i>(684)</i>

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**23. Pension commitments (continued)**

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
<b>At 1 September</b>	<b>7,209</b>	<i>5,115</i>
Conversion of academy trusts	-	<i>817</i>
Current service cost	<b>744</b>	<i>636</i>
Interest cost	<b>123</b>	<i>109</i>
Employee contributions	<b>89</b>	<i>84</i>
Actuarial losses	<b>904</b>	<i>466</i>
Benefits paid	<b>(31)</b>	<i>(18)</i>
<b>At 31 August</b>	<b>9,038</b>	<i>7,209</i>

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
<b>At 1 September</b>	<b>3,373</b>	<i>2,722</i>
Conversion of academy trusts	-	<i>460</i>
Interest income	<b>60</b>	<i>61</i>
Actuarial gains/(losses)	<b>685</b>	<i>(183)</i>
Employer contributions	<b>264</b>	<i>247</i>
Employee contributions	<b>89</b>	<i>84</i>
Benefits paid	<b>(31)</b>	<i>(18)</i>
<b>At 31 August</b>	<b>4,440</b>	<i>3,373</i>

**24. Operating lease commitments**

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

	<b>2021</b>	<i>2020</i>
	<b>£000</b>	<i>£000</i>
Not later than 1 year	<b>19</b>	<i>20</i>
Later than 1 year and not later than 5 years	<b>32</b>	<i>54</i>
	<b>51</b>	<i>74</i>



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**25. Members' liability**

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

**26. Related party transactions**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.