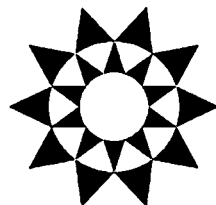
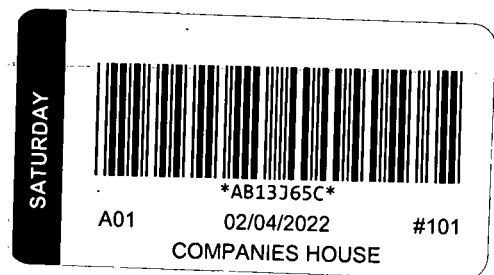


EMPOWER TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021



WR
Partners
Protecting your future.

EMPOWER TRUST
(A company limited by guarantee)

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EMPOWER TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr Andy Connell Dr Allan Howells Mr Ken Greetham Mrs Ann Fisher Church of England Central Education Trust Lichfield Doicesan Board of Education
Trustees	Mr Paul Bunting (appointed 29 September 2020) Mr Michael Cladingbowl Dr Allan Howells Mr Ian Nurser, Accounting Officer Mr Michael Revell Dr Lesley Rollason Mr Richard Woolley
Company registered number	11259965
Company name	Empower Trust
Principal and registered office	Unit 3 The Stables Sansaw Business Park Hadnall Shrewsbury Shropshire SY4 4AS
Company secretary	Mrs Patricia Slater
Chief executive officer and accounting officer	Mr Ian Nurser

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

Senior management team

Ian Nurser, Chief Executive Officer
Patrica Slater, Chief Operating Officer
Sam Scott, Executive Headteacher, Market Drayton Infant & Junior Schools
Kerry Simmons, Head of School, Market Drayton Infant School
Sally Brayne, Head of School, Market Drayton Junior School
Allyson Brown, Headteacher, St Peters CofE
Sarah Kynaston, Deputy Headteacher, St Peters CofE
Kerry Lynch, Headteacher, Wilfred Owen School
Karen Matthews, Deputy Headteacher, Wilfred Owen School
Sharon Munro, Executive Headteacher, St George's Junior School & Woodfield Infant School
Kelly Lee, Head of School, St George's Junior School
Rebecca Preece, Head of School, Woodfield Infant School
Nicky Hey, Headteacher (job share), Greenacres Primary School (retired December 20)
Simon Hey, Headteacher (job share) and Deputy Headteacher (part time), Greenacres Primary School
Suzi Bray, Headteacher, Greenacres Primary School (appointed January 21)
Stephanie Hemmings, Deputy Headteacher, Greenacres Primary School (secondment until Aug 21)
Guy Verling, Headteacher, St Mary's C of E Primary School (resigned August 21)
Joanna Leech, Deputy Headteacher, St Mary's C of E Primary School

Independent auditors

WR Partners
Chartered Accountants
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Bankers

Lloyds Bank
1 Pride Hill
Shrewsbury
Shropshire
SY1 1DG

Hampshire Trust Bank
PO Box 74003
London
EC2P 2QR

Solicitors

Anthony Collins Solicitors
134 Edmund St
Birmingham
B3 2ES

EMPOWER TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

a. Constitution

The Academy Trust, which is a Multi-Academy Trust is a charitable company limited by guarantee, incorporated in England and Wales and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy Trust.

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

The charitable company is known as Empower Trust. Empower Trust is a network of unique and diverse church and community primary academies across North Shropshire. For detailed information on school performance and catchment information, please follow the link to each school from our Trust website - www.empowertrust.co.uk.

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

Trustees benefit from indemnity insurance purchased at the academies expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the academy, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of Trust or duty or which was committed by the Trustees in reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of an unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the academy. The limit of this indemnity is £10,000,000.

EMPOWER TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

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

The Academy Trust shall have the following Members and Trustees as set out in its Articles of Association and funding agreement.

- 5 Members, one of whom is the Chair of Trustees and the link between the Members and Trustees
- Up to 7 Trustees who are appointed by Members
- The CEO is treated for all purposes as being an ex officio Trustee

Trustees are appointed for a four year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order that the Board has the necessary skills to contribute fully to the Trust's development.

e. Policies adopted for the induction and training of Trustees

The training and induction provided to new Trustees will depend upon their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. In addition, the CEO will perform a one to one induction session with each new Trustee to acquaint them with the governing documents of the Trust and to familiarise them with its structure and processes. This process includes introducing each new Trustee to the Academies Finance Handbook, Charity Commission Guidance for Trustees and the Trust's governing documents. As there are at most one or two new Trustees per year, induction is informal and tailored specifically to the individual.

With the delegation of responsibility from the Trust Board to local governing bodies the priority for much of the training and development of Governors in 2020/21 will focus on the following areas:

- The role of Governors,
- Ofsted inspection framework
- Curriculum development
- Safeguarding

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

Structure, governance and management (continued)

f. Organisational structure

'As the accountable body, the Board is the key decision maker. It may delegate operational matters to executive leaders and governance functions to committees (including LGBs in a MAT) or in some cases to individuals, but the Board as a corporate entity remains accountable and responsible for all decisions made and executive leaders operate within the autonomy, powers and functions delegated to them by the Board' - Academies Financial Handbook, DfE, 2019, p.15.

The Trustees establish the overall framework for the governance of the Trust and academies included within the Trust. The Board of Empower Trust has determined membership, terms of reference, a code of conduct and procedures of Committees and other groups and approves all Empower Trust policies. The delegation of responsibility and authority is set out within the comprehensive Empower Trust Scheme of Delegation. This includes delegation to the CEO, who is also the Empower Trust Accounting Officer, and to Officers and other employees of Empower Trust. The Board of Trustees has delegated authority to the CEO and the Officers to make executive decisions over the day to day running of the organisation. The Board of Trustees is responsible for ensuring that Empower Trust conforms to company and charity law, its memorandum of articles and association and to any other legislation and regulatory laws that may apply.

The Board of Trustees is responsible for the three core governance functions. The Board of Trustees appoint, the chief executive (CEO), to whom it delegates responsibility for delivery of its vision and strategy, and will hold the CEO to account for the conduct and performance of the Trust, including the performance of the academies within the Trust, and for its financial management. In turn, the CEO line manages other senior executives and the academies' Executive Headteachers/Headteachers, setting their targets and performance managing them.

The Board constitutes committees for finance and standards; these look in detail at resources and progress and attainment across the Trust. At least three Trustees must sit on each of these Board committees. The Board delegates some of its school level monitoring and scrutinising functions to Local Governing Bodies (LGBs), and uses these committees to promote stakeholder engagement and as a point of consultation and representation. Trustees do not need to sit on LGBs, and so clear lines of communication to the Board of Trustees are identified in the LGB Terms of Reference. It is usual for the CEO to seek input from the chair of the LGB when undertaking the Executive Headteacher's/Headteacher's performance management.

As the Executive Headteacher/Headteacher is being line managed by the CEO, the LGB no longer carries out the governance function of holding the Executive Headteacher/Headteacher to account. However, they must be confident that the Trust's performance management systems are working well, and if not, how they can make the Trust aware of their concerns. This arrangement will also affect the LGB's role in Ofsted inspections.

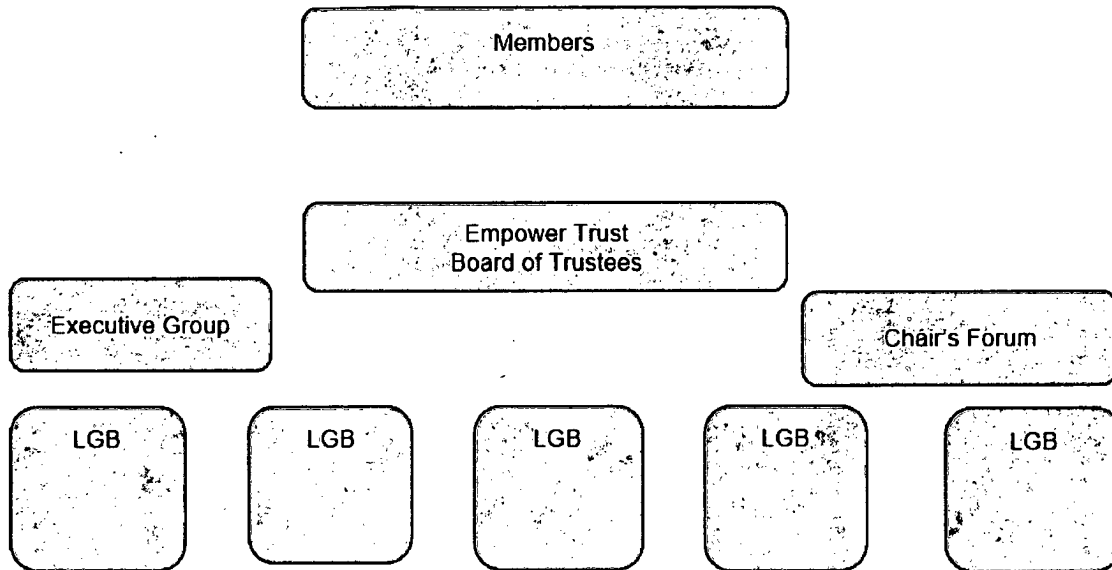
Governance Structure

There is only one legal entity accountable for all schools within the Multi Academy Trust, Empower Trust. Empower Trust has one set of Articles which govern all the academies in that chain. Empower Trust has a master funding agreement with the Secretary of State. Each academy also has a supplemental funding Agreement.

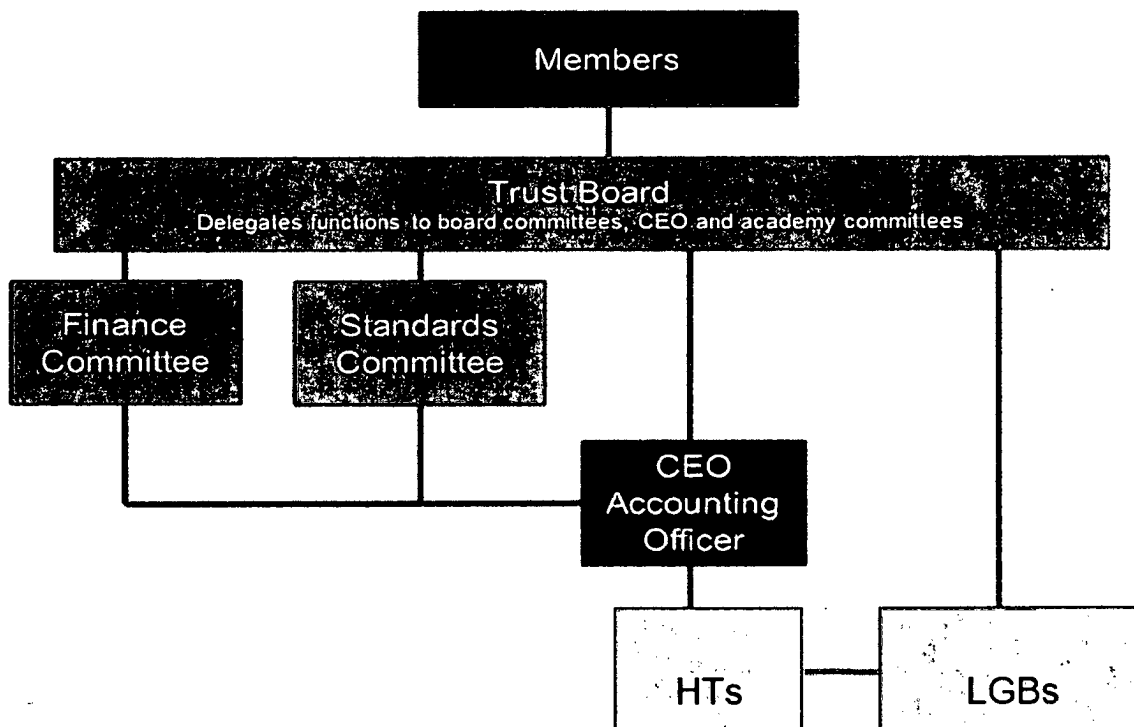
EMPOWER TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Structure, governance and management (continued)



Delegation to LGB and Board Committees



EMPOWER TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

Roles and Responsibilities

The role of the members

The members of the Trust are guardians of the governance of the Trust and oversee Empower Trust – they may amend the articles of association, appoint and remove Trustees & give directions by special resolution to the Board. They meet once or twice a year and have a different status to Trustees. They will agree the Trust's first articles of association (the legal document which outlines the governance structure and how the Trust will operate). The articles of association describe how members are recruited and replaced, and how many of the Trustees the members can appoint to the Trust Board. The members appoint Trustees to ensure that the Trust's charitable object is carried out and so must be able to remove Trustees if they fail to fulfil this responsibility. Accordingly, the Trust Board submits an annual report on the performance of the Trust to the members. Members are also responsible for approving any amendments made to the Trust's articles of association.

In order to retain a degree of separation of powers between the members and the Trust Board only the Chair of the Trustees will be a Member of Empower Trust. Members are not permitted to be employees of the Academy Trust.

The role of the Trustees

Empower Trust is a Charitable Company and so Trustees are both charity Trustees (within the terms of section 177(1) of the Charities Act 2011) and company directors. Because Trustees are bound by both charity and company law, the terms 'Trustees' and 'directors' are often used interchangeably. The term Trustee is used in this document as it avoids the possible confusion caused when executive leaders are called directors but are neither company directors nor Trustees.

The Trustees are responsible for the general control and management of the administration of the Trust, and in accordance with the provisions set out in the memorandum and articles of association and its funding agreement, it is legally responsible and accountable for all statutory functions, for the performance of all schools within the Trust, and must approve a written scheme of delegation of financial powers that maintains robust internal control arrangements. In addition, it must carry out the three core governance functions:

1. Ensure clarity of vision, ethos and strategic direction
2. Hold the executive to account for the educational performance of the Trust's schools and their pupils and the performance management of staff
3. Oversee the financial performance of the Trust and make sure its money is well spent

The Board of Trustees has the right to review and adapt its governance structure at any time which includes removing delegation.

Trustees do not get involved in the running of individual academies.

The role of Trust Board committees

The Trustees may establish committees to carry out some of its governance functions which may include making decisions, although any decisions made will be deemed decisions of the Trust Board. The membership (there must be at least three Trustees except in a Local Governing Body) and responsibilities of Board committees are set out in the committee's terms of reference. It is usual for the Trust Board to appoint Board committee chairs and committee members according to their skills.

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

Structure, governance and management (continued)

The Academies Financial Handbook 2020 makes it clear that the Board of Trustees 'should have a finance committee to which the Board delegates financial scrutiny and oversight'. Empower Trust has established a Finance and Audit Committee who carry out this function.

The role of the Local Governing Body

The Board of Trustees establishes Local Governing Bodies (LGBs) as Academy committees to carry out some of its school level governance functions, although as Trustees are not required to sit on academy committees, decision making is limited. The LGB is responsible for providing oversight of the effective running of the academies in terms of learning, standards, safety & wellbeing in accordance with the agreed terms of reference. Actions are restricted to the level of the single academy for which it is responsible. To ensure open, effective and transparent governance all governors are required to accept and follow the Empower Trust LGB Code of Conduct.

The LGB nominates its own Chair though the Chair will be formally appointed by the Trustees. The Trustees ensure that two parents are elected to the LGB.

The emphasis of Empower Trust is to delegate as much local governance to each academy as possible, particularly where schools are judged to be Good or Outstanding. As a committee of the Board, delegation can be removed at any time. However, the aim of Empower Trust is to work in partnership with the academy Executive Headteachers/Headteachers and LGBs to ensure all schools work towards being 'outstanding'. Should the performance of a school cause concerns or should it risk falling into Requires Improvement the Trust Board will support and challenge the LGB to take the steps required to rapidly improve outcomes for children. Should an academy fall into Special Measures, in the interests of the children Trustees may remove delegated powers from the LGB in order to make the structural changes, etc. required to ensure rapid improvement.

Delegated functions include:

- Ensure clarity of vision, ethos and strategic direction for their academy
- Building an understanding of how the school is led and managed
- Monitoring whether the school is:
 - o Working within agreed policies
 - o Providing a high quality, broad and balanced curriculum for all children
 - o Providing effective provision for children with SEND, CLA and those in receipt of Pupil Premium and Services Premium
- Monitoring local safeguarding arrangements
- Engaging with stakeholders, including the local community
- Being a point of consultation and representation, including hearing complaints and issues relating to pupil discipline
- Maintaining the Christian distinctiveness in Church of England schools
- Reporting to the Board

Executive Leaders

The Chief Executive Officer (the Accounting Officer) has delegated responsibility for the operation of Empower Trust including its financial effectiveness and the performance of its academies and so the CEO performance manages the academy Executive Headteachers/Headteachers. As there is the delegation of some governance functions to academy committees, the academy committee chair is also usually involved in the process.

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

Structure, governance and management (continued)

The CEO leads the executive management team of Empower Trust. The CEO will delegate executive management functions to the executive management team and is accountable to the Trust Board for the performance of the executive management team. The CEO will also implement all of the policies approved by the Trustees (including those for the direction of the teaching and curriculum at academies).

The CEO is the accounting officer so has overall responsibility for the operation of the Academy Trust's financial responsibilities and must ensure that the organisation is run with financial effectiveness and stability; avoiding waste and securing value for money.

Executive Headteachers/Headteachers have delegated responsibility for such powers and functions that are not reserved by the Trust and/or the Local Governing Body and include: daily, internal organisation, management and control of the academy; the implementation of all policies approved by the Trust and/or the LGB; the direction of learning, teaching and the curriculum. Where financial responsibility sits with the Executive Headteachers/Headteachers, it may be delegated to the academy business manager, reporting back via the Headteacher (as local accounting officer).

The Executive Headteacher/Headteacher is managed by the CEO or executive principal but reports to the LGB on matters which have been delegated to it which may include an element of monitoring and scrutiny of the school's management processes.

In addition, two non decision making groups will be established to enhance communication and collaboration across Empower Trust and to provide every academy with a direct influence on developing Empower Trust priorities:

Executive Group (CEO, Executive Headteachers/Headteachers of the academies and the Trust's Chief Operating Officer (COO) who retains the role of CFO). Its role is advisory rather than being part of the formal legal framework. However, it plays a key role in the operation of Empower Trust, suggesting Empower Trust priorities to the Trust Board, reviewing and reporting on educational performance and the impact of agreed interventions across Empower Trust, reviewing and providing peer support and challenge, sharing ideas and driving collaboration across the Empower Trust academies. This group will also be consulted on, and make recommendations to the Board of Trustees regarding any potential new schools joining the Trust.

Chairs' Forum (Board of Trustees representatives and the Chair of each LGB, plus the CEO) Its role is to ensure clear lines of communication between the Board and LGBs and provide a forum to share ideas and drive collaboration across the Empower Trust academies.

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

The key management personnel for Empower Trust consist of the CEO, COO and academy Executive Headteachers/Headteachers. Although the Trustees control and manage the administration of Empower Trust, the day to day management of its activities is delegated to the Officers who report to the Trustees.

Empower Trust has seven Trustees. With the exception of the CEO all other Trustees are unremunerated. Trustees receive no payment for their work with Empower Trust. The CEO and officers pay is set and reviewed by the remuneration committee of the Empower Trust Board once a year and is based on a benchmark against posts or work of a similar nature and scale within local authorities and other multi academy Trusts. Any increases that have been approved by the Empower Trust Board have been in line with the national pay awards.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	4,802
Total pay bill	10,274,956
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

There have been no new related party transactions during the 20/21 academic year. The Trust is not connected to any other charities and organisations.

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Trust's equal opportunities policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

k. Engagement with suppliers, customers and others in a business relationship with Empower Trust

Empower Trust has built relationships with key suppliers through the year and continue to work with them looking at ways in which service provision can be improved and ensure that value for money is achieved.

Any new services have been acquired through the correct procedures following the Trust's procurement and tendering policy where applicable.

Objectives and activities

a. Objects and aims

The Company's object ("the Object") is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Academies other than those designated Church of England, whether with or without a designated religious character; and
- (ii) Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

Empower Trust remains as a primary only specialist.

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

Objectives and activities (continued)

The 2020/21 Trust Improvement Plan Priorities were:

- To continue to improve the quality and consistency of quality first Teaching and Learning and improve pupil progress rates in individual schools and across the Trust in order to increase rates of progress to at least nationally expected levels (Based on 2019 national outcomes).
- To deliver a COVID Recovery Curriculum to promote skills catch up and development based on lost school experience, and further facilitate the provision of a broad and balanced of curriculum that at least meets National Curriculum expectations in every school from April 2021, including a focus on the three Ofsted strands of Intent, Implementation and Impact.
- To address additional COVID 19 specific issues including:
 - o To ensure safe full re opening of schools for children and staff
 - o Pupil and staff wellbeing – including parental engagement
 - o Further develop Home Learning provision in case of closure of schools or bubbles
- To continue to improve pupil outcomes in Reading and phonics across the Trust (links to Objective 1 above).
- To improve rates of attendance, particularly persistent absentees.

Central Team Priorities:

- To implement and further develop Trust governance arrangements
- To review and develop the Trust Marketing and Growth Strategy
- To utilise new Trust IT system to support learning and management across the Trust
- To review Facilities Management across the Trust

b. Objectives, strategies and activities

Ensuring the Trust and academies are financially sustainable

The Central Finance Team, led by the Chief Operating Officer (COO) who retains the role of CFO, manages the finance function on behalf of the Trust and its schools, ensuring financial compliance and propriety in line with the requirements of the ESFA regulations and the Academies Financial Handbook. Monthly meetings are held with Executive Headteachers/Headteachers, School Business Support managers and a representative of the LGB to monitor the budget and provide support. To further establish the Central Team in 2020/21 a Trust Finance Manager/Accountant was appointed. This has strengthened the finance function of the Trust.

Three year strategic financial planning meetings are conducted annually with Executive Headteachers/Headteachers where staffing levels are discussed to ensure they are sustainable and affordable.

The Operations Manager continues to bring cost saving and efficiency measures across various areas. They have negotiated savings for school resources, and the Trust is increasingly utilising procuring through Government frameworks.

The Trust continues to work with current service providers to ensure that the systems we utilise are fit for purpose and deliver value for money.

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

Objectives and activities (continued)

Academy Performance

All academies receive regular school improvement and monitoring visits from the CEO and School Improvement Advisers, as well as additional support from SLEs or subject specialists as necessary. Empower Trust's approach to school improvement is a programme of monitoring and intervention in inverse proportion to success. A baseline review of each academy provides an analysis of strengths and weaknesses that is used as the basis for a programme of ongoing support for the school. Each individual academy's Improvement Plan details their priorities for development and identifies strategies to achieve the objectives and details of monitoring activities. Termly monitoring by the School Improvement Advisers inform CEO termly reports to the Empower Trust Board of the relative success of each school against their objectives.

Academy performance targets are agreed and individual School Improvement Plans have been established to address the priorities of each individual academy. An overarching Trust Improvement Plan complements these and identifies central support and resources to promote rapid improvement. Performance targets are challenging yet achievable.

The ongoing strategic educational objective of the Trust is that every school improves their attainment and progress and aim to achieve Outstanding within five years, with nothing less than Good in any OFSTED inspection.

Quality

Empower Trust continues to invest time and energy in supporting staff in developing Trust policies and processes through the promotion, secondments, sharing and development of effective collaborative practices through groups such as the Executive Group of Executive Headteachers/Headteachers, Chairs Forum and the Business Support Manager Group. The role of Local Governing Bodies has been amended to provide them with a key role in developing a curriculum offer to meet the needs of their local context in addition to monitoring school performance at a local level.

The Empower Trust Central Team has expanded to ensure that it can deliver a wider range of high quality services to support schools. The aim is to enable Executive Headteachers/Headteachers to focus on their core role of further improving the quality of teaching and learning and continuous school improvement. Working collaboratively with Executive Headteachers/Headteachers and BSMs, the Empower Trust central team will continue to focus on developing capacity and providing high quality services. Our aim is every Executive Headteacher/Headteacher in the Trust feels well supported and 100% would elect to join Empower Trust again today.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Strategic report

Achievements and performance

a. Key performance indicators

The Trust's main objectives and KPIs for 2021/22 are:

Quality of Education/ Outcomes

To ensure that every school provides a broad and balanced curriculum that equips all pupils to thrive, achieve their goals, succeed in later life, contribute to diverse society and respect the environment.

All schools at least have attainment at or around the 2019 national average for GLD, national phonics screening, KS1 and KS2 attainment.

KS2 Progress is at least in line with national averages in all subjects in all schools.

Quality of Education/ School Improvement

To further develop externally validated self-assessment strategies against clearly defined performance indicators.

The Trust and is actively engaged in strategic developments to affect the wider education landscape as an established strategic partner of a Teaching School Hub.

Workforce & wellbeing

The further development of highly effective pastoral arrangements for staff, who, as a result, feel supported and have a good work-life balance.

Succession

To development of a career structure for all staff, and to ensure that talented senior and middle leaders play key roles across Trust schools.

Growth

To follow a growth strategy that ensures that the Trust continues to be sustainable, with secure finances allowing high quality services to underpin the work of the Trust.

Financial Probity

To ensure that all schools run within budget and to utilise Trust reserves to target underperformance and improve pupil outcomes.

Safeguarding

To continue to ensure consistent and robust safeguarding/ SEND processes and practice are in place across the Trust.

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.

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

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company

Trustees fulfil their duty to promote the success of the Trust, under Section 172 of the Companies Act 2006 (the Act) and consider the interests of Empower Trust's key stakeholders when making decisions. Empower Trust has a clear vision which is dedicated to ensuring the provision of an outstanding education for every child within the Trust. This requires the Board, senior leadership team and other employees to maintain an approach to strategic, financial and operational decision making that is values based and sustainable in approach, and therefore aligned to the requirements and expectations of Section 172. Our long term success relies upon our delivery of the strategic objectives set out in our improvement plan through our talented and committed employees; close working relationships with regulators and suppliers, providing benefits to both the pupils in our schools and the wider school community.

Strategic priorities are discussed with the Board at the start of each year. These are informed by our long term vision, the outcomes for pupils and other key performance measures from the previous year. The Board sets key performance indicators and targets relating to these priorities and monitors performance against these at each full Board meeting.

At Board meetings, Trustees receive reports summarising the current status of each of our schools highlighting any notable successes or concerns.

The CEO and Chair of Trustees hold termly LGB Chairs Forum meetings to provide regular oversight, share concerns and good practice.

Trustees carry out occasional visits to schools holding discussions with employees and pupils. This also consists of class drop ins.

Empower Trust is regulated by the Department for Education ("DfE") and has due regard to the provisions of its funding agreements and the Academies Handbook. Regular returns are submitted to the Department and Education and Skills Funding Agency ("ESFA"), and we have regular senior contact with both. The Trust is regulated by the Information Commissioner's Officer ("ICO"), and policies and procedures are in place to ensure compliance with General Data Protection Regulations, which have been shared with the ICO.

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

Strategic report (continued)

Achievements and performance (continued)

d. Review of performance

Due to COVID-19 there were no national tests taken in 2021. Consequently, the 2019 data remains the last available published data. Although performance differed between academies, overall average 2019 attainment across the Trust in terms of Good Level of Development in the Early Years Foundation Stage was below behind the national average and in Y1 Phonics. However, the gap between the Trust and national attainment at Good Level of Development closed significantly during 2019.

2019 Key Stage 1 attainment for children attaining at least Expected levels is above national averages in Reading and Writing and in line in Mathematics. KS1 Attainment at Greater Depth is above national averages in all subjects. The Trust average KS1 attainment improved compared to 2018.

2019 KS2 average attainment across the Trust is above national averages in Writing, in line in Mathematics and below in Reading. At Greater Depth, attainment is above national averages in Writing and Mathematics but below in Reading. Overall Trust KS2 average attainment improved during 2018/19.

We live interesting times in terms of assessing school performance, with some organisations appearing to continue to favour comparing individual school SATs and Phonics performance data to national expectations, whilst the Ofsted inspection framework puts a higher priority on the quality of the curriculum on offer and on real-time evidence of whether children know more or remember more. Empower Trust assesses school performance using a combination of several indicators, including academic, financial, leadership and governance elements. Based on this more comprehensive assessment it is clear that our schools are continuing to make good progress.

Internal testing and assessment processes demonstrate that the greatest impact of COVID disruptions during 2020/21 was seen in Y1 and Y2 outcomes, particularly in Writing and Maths. Pupil Premium children and children with SEND were also generally impacted more negatively than other children. These outcomes are in line with national trends. The Pupil Premium Grant (PPG) and catch-up funding is being targeted at improving outcomes for those groups of children. To address the impact of COVID disruption, in addition to school-led improvement strategies, Empower Trust has commissioned targeted support in English and Maths for the current Y2 and Y3 cohorts. As part of that support package each school will receive on-site advisory and in-class support, availability to a website and bank of additional resources to plan and deliver the Maths and English curricula, telephone access to advisory support and access for two staff on eight professional development courses designed to meet Empower Trust's priority areas.

Despite setbacks caused by school closures and other disruptions to children's education over the past two years, all of our schools have set aspirational 2022 attainment targets at least in line with pre COVID-19 national averages for EYFS, Phonics and KS1 and KS2 Reading, Writing and Mathematics. Our minimum aim remains to ensure that overall Trust performance increased to at least in line with national averages in 2019 was achieved.

Individual academies have clear action plans in place to address each of their priority areas for development and progress against their targets will be monitored and evaluated by the CEO and School Improvement Advisers each term.

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

Strategic report (continued)

Financial review

The majority of the Academy's income is obtained from the DfE/ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. Total income for 2020/21 was £13,259,334 (2020: £14,231,285); of which revenue income for educational operations was £13,025,932 (2020: £11,694,803). Total capital income (excluding conversion balances) was £233,402 (2020: £122,980). The closing level of unrestricted and restricted funds (excluding fixed asset reserves and pension deficit) stands at £1,595,712 (2020: £1,413,000).

a. Reserves policy

The Trust Board view is that reserves should provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future. The Empower Trust Board propose to maintain the charity's reserves at a level which is at least equivalent to 3 months' operational expenditure. The Trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on a quarterly basis at their finance meeting. Empower Trust is mainly funded by grants from the Department for Education, the use of which is regulated by its Funding Agreement.

Empower Trust academies are expected to use funding received from the DfE in the accounting year for which it is given. However, we also set aside funds for future use in both revenue and capital. Our policy on reserves recognises the difficult financial climate we are in and the fact that there is much less capacity to build up capital funds for longer term needs.

The in-year net movement in funds was (£1,833,251) (2020: £899,145). Of this movement £Nil (2020: £2,067,921) was in relation to conversion balances and (£2,074,000) (2020: (£1,007,000)) pension movements.

Total reserves at the Balance Sheet date were £10,456,835 (2020: £12,290,086). Of this, £21,194,123 (2020: £21,136,086) was in respect of the Fixed Assets Reserve (reserves set aside for future depreciation of the Trust's assets), a deficit of £12,333,000 (2020: £10,259,000) in respect of future potential pension liabilities.

Revenue Reserves

Revenue reserves are maintained in separate restricted and unrestricted balances. However, in day to day terms, both are considered in aggregate in managing the overall financial position of the Trust. At the end of the year, revenue reserves stood at £1,595,712 (2020: £1,413,000) of which £1,199,850 (2020: £1,228,674) was unrestricted and £395,862 (2020: £184,326) restricted. A rigorous financial planning process is in place to ensure that all our academies are able to operate within their agreed funding allocation. Deficits on individual academies are not permitted in anything other than exceptional circumstances. Any planned deficit permitted must be covered by reserves in total and a process of licensed cumulative deficits will operate for those academies.

The unrestricted reserves also represent the free reserves.

The licensed deficit would only be approved on the basis of a clear plan for financial recovery over the following 3 years. At the end of the financial year none of our academies had deficits on their overall revenue reserves.

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

b. Principal risks and uncertainties

The Board of Empower Trust has made significant progress in establishing comprehensive risk assessment and management arrangements. The Trust uses "Every" a system recommended by the DfE for managing risk. All known risks associated with the operations of Empower Trust are included in the system along with an assessment of likelihood, impact and details of any mitigating action. Ownership of risks is delegated to a specific Trust Officer. Each Officer's risks are reviewed monthly in rotation by the CEO. The risk summary is a standing item on the weekly operations meeting and also termly finance and audit committee agenda.

Risk assessment and management is an essential part of the process of engaging with schools as prospective academies. A conversion risk profile will be established for all potential Empower Trust Academies prior to commencement of any conversion project. This profile will be used to inform decisions on prospective Empower Trust academies. Each conversion of a school into an academy is managed as a project with its own dedicated risk register, reviewed at project meetings. Upon opening, the academy's relevant risks will then be transferred to the "Every" system. High impact risks include:

- Finance: the impact of poor financial management resulting in cessation of growth, loss of confidence from ESFA and Empower Trust academies. This has been mitigated by developing tighter budgetary and reporting controls. Empower Trust has embarked on a review of financial capability across the academies and a programme of improvement where weakness is identified.
- Human Resources and Governance: the impact of the loss of key academy or central staff and the impact of poor performing staff. This has been mitigated by plans to establish robust business continuity plans and succession planning undertaken across the Trust.
- Education: lack of improvement in educational performance or attendance, breakdown in relationship with an academy Executive Headteachers/Headteachers and changes to national assessment criteria. This has been mitigated by the continual monitoring of educational performance by CEO and external School Improvement Advisers.
- Premises and facilities management: unaffordable building maintenance programmes, failure of academy building fabric and variable premises management expertise within academies. All capital projects are managed by the individual academy under the authority of the Chief Operating Officer. We have commenced a programme of work to improve the building fabric of the academies.
- Overall risk for all Officers: failure to deliver undermines confidence of Academy Governors and staff in Empower Trust. At the weekly Operational meetings, the Officers update and evaluate risks. Any risks which are deemed significant are discussed and recommendations are made for improvements.
- Health & Safety: failure to comply with legislative regulations in terms of fire safety and health & safety. This has been mitigated by utilising the "Every" system to ensure compliance and the Trust has implemented a programme of training which is readily available for those staff with responsibility for health & safety. Regular updates are provided from the Operations Manager.

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

c. Financial risk management objectives and policies

The key current risks are described above in the section on risk management. The squeeze on public expenditure continues to bite for schools. As well as maintaining robust levels of reserves, robust school level financial planning and budgeting arrangements have been implemented to ensure local and Empower Trust wide financial challenges are identified and addressed early. The Trust examines the financial health of each academy each term at a Board meeting. More detailed scrutiny is undertaken by the Finance Committee, at least termly, where information from review of management accounts is considered with other information from: Independent checking reviews; monitoring of financial activity by central Trust finance staff. These processes will continue to be strengthened to ensure Empower Trust has the capacity to meet future financial challenges. At the period end the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity. Future commitments to operating leases are modest in comparison to total expenditure for each academy and for the Trust overall. The Trust recognises that the defined benefit scheme deficit (Local Government Pension Scheme) represents a significant potential liability. However, if Empower Trust were to cease operating this deficit is underwritten by the Secretary of State.

Fundraising

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

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

Streamlined energy and carbon reporting

This methodology follows the GHG Reporting Protocol and uses the 2021 Government emission conversion factors for greenhouse gas company reporting.

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year	1,324,080 kWh (gross CV (calorific value))	Scope 1	1,324,080 kWh * 0.18316 (2021 fuels, natural gas conversion factor gross CV to kg CO ₂ e) = 242,519 kgCO ₂ e = 242.519 tCO ₂ e
Electricity – total kWh used for the year	639,830 kWh	Scope 2	639,830 kWh * 0.21233 (2021 UK electricity conversion factor to kgCO ₂ e) = 135,855 kgCO ₂ e = 135.855 tCO ₂ e
Gas Oil – 15,033 litres used for the year	161,492 kWh	Scope 1	15,033 litres * 2.75857 (2021 Fuels – Gas Oil conversion to kgCO ₂ e) = 41,470 kgCO ₂ e = 41.470 tCO ₂ e
Owned Transport Minibus – 2,006 miles in the year	2,006 miles * 1.55 (2021 SECR kWh pass & delivery yehs, vans average) = 3,109 kWh	Scope 1	2,006 miles = 3,228 km 3,228 km * 0.24116 (2021 managed assets vehicles, vans average – used in lieu of passenger vehicles conversion) = 779 kgCO ₂ e = 0.78 tCO ₂ e
Reimbursed Transport – total mileage reimbursed from staff claims = 2,159 miles	2,159 miles * 1.16071 (2021 SECR kWh pass & delivery yehs, average car conversion factor to kWh, petrol) = 2,506 kWh	Scope 3	2,159 miles * 0.28053 (2021 business travel and average car conversion factor to kgCO ₂ e, petrol) = 606 kgCO ₂ e = 0.61 tCO ₂ e
Total	2,131,018 kWh		421.23 tCO₂e
Intensity ratio	Emissions data (tCO ₂ e) compared with an appropriate business activity (pupil numbers as per Autumn census)		421.23 tCO ₂ e/2,638 pupils = 0.160 tCO ₂ e per pupil

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

Streamlined energy and carbon reporting (continued)

Disclosure of Information

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	Current reporting year 2020/21	Comparison reporting year 2019/20 (figures are for illustrative purposes)
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Energy consumption used to calculate emissions (kWh)	2,131,018	1,802,129
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Scope 1 emissions in metric tonnes CO2e

Gas consumption	242.519	208.847
Gas Oil consumption	41.470	16.551
Owned transport	0.78	0.47
Total Scope 1	284.77	225.87

Scope 2 emissions in metric tonnes CO2e

Purchased electricity	135.855	139.874
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Scope 3 emissions in metric tonnes CO2e

Business travel in employee-owned vehicles	0.61	06.415
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Total gross emissions in metric tonnes CO2e	421.23	372.74
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Intensity ratio Tonnes CO2e per pupil	0.160	0.16917
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Quantification and Report Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The academy trust has 8 academies, all with their own boilers which 7 are gas fuelled and 1 oil. Electricity is purchased. The academy trust currently leases 3 minibuses (all within 3yrs old) We have staff who claim business mileage for travel for business purpose but this is kept to a minimum as we have introduced more online team's meetings/communications to be more energy efficient. The trust has recorded the number of miles travelled during the year as 2159. Two of our schools had new roofs installed and one had new double glazed windows installed in their quad building. We have opted in for 100% green energy from Spring 2022.

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

Plans for future periods

The Trust will continue to strive to provide outstanding education and improve the levels of performance and progress at all levels. To achieve this, we will aim to continue to attract high quality teachers and support staff and develop our employees to achieve their potential. Empower Trust aims to prioritise the embedding of the developing policies and practices. The Trust plans to grow beyond the current 8 academies increasing the number of schools during 2022/23. Improvement targets for any school converting with a 'required to improve' Ofsted judgement will be to be 'good' within 18 months and Outstanding within 5 years. The quality of financial administration is expected to show similar improvement within 18 months of opening. One of our Trust schools is the Initial Teacher Education lead partner within a Teaching School Hub covering Shropshire and Telford. Empower Trust aims to protect and continue the training provided to Trust staff by offering CPD opportunities to schools and academies outside the Trust, thus distributing opportunities across a wider membership base.

Funds held as custodian on behalf of others

The academy and its Trustees do not act as the custodian Trustees of any other charity.

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 _____ and signed on its behalf by:

A. Howells

.....
Dr Allan Howells
Chair of Trustees

EMPOWER TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Empower Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
Mr Paul Bunting	6	6
Mr Michael Cladingbowl	3	6
Dr Allan Howells	6	6
Mr Ian Nurser, Accounting Officer	6	6
Mr Michael Revell	6	6
Dr Lesley Rollason	5	6
Mr Richard Woolley	5	6

Coverage of the Board's work, performance and data used by the Board:

Monitoring and evaluation of all Trust performance includes:

- School performance data, academic performance data and financial reports.
- Developing organisational changes, strategic developments and staffing.
- Developing, reviewing and approving Trust policies including health & safety, HR, finance, absence, etc.
- Management of the Covid pandemic.

The Trust Board routinely reflects on and reviews the effectiveness of governance at both Trust and local school levels. During 2020/21 Trustees and the CEO worked with LGB Chairs via regular Chairs Forum meetings to develop and monitor the effectiveness of the local governance arrangements in line with the accountabilities delegated in the Scheme of Delegation. The Trust Board has commissioned external reviews of governance for LGBs during 2021/22 and is exploring opportunities to do the same for the Trust Board.

EMPOWER TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Purpose of this committee and issues dealt with in the period include:

- Monitoring of risk register
- Investment in the central team to support and facilitate Trust growth
- Review financial reports
- Review of audits
- Approving budgets and reviewing BFRO submissions
- Approval of end of year financial report
- Agreeing internal audit

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr Richard Woolley	4	4
Dr Lesley Rollason	4	4
Mr Michael Revell	3	4
Mr Ian Nurser	4	4

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:

- Free overview management of catering provision by external managing agency having brought catering in house.
- Savings on training through online learning available to all schools across the Trust. Modules include Health & Safety, Safeguarding, Manual handling etc.
- Savings on PAT having upskilled site staff to complete in house and purchasing testing kit to be utilised across Trust schools.
- Centrally negotiated rates which resulted in reduced costs to schools for PIRA/PUMA test papers, NFER and Insight and The Key.
- Discounts on cleaning products and sanitiser to help combat COVID-19.
- A package of School Improvement reviews.

EMPOWER TRUST
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GOVERNANCE STATEMENT (CONTINUED)

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 Empower Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy 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.

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
- identification and management of risks

The Board of Trustees considered its internal scrutiny requirements and focus based on consideration of its risk profile and outputs from independent external bodies. This included the output of the external audit interim visits which reported the results of interim financial systems and control checks which comprise part of the statutory year end audit reporting. Based on this assessment, the Board focussed its internal scrutiny on Health & Safety and Compliance and utilised the services of Willis, Towers & Watson to perform this work. The findings were reported to the Board on 09/12/21 and there were no material control issues arising. The Board has updated its risk assessment and internal scrutiny requirements for the 2021/22 year and has engaged Telford & Wrekin Council to perform a broad range of checks.

EMPOWER TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

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



Mr Ian Nurser
Accounting Officer



.....
Dr Allan Howells
Chair of Trustees
Date: 14 December 2021

EMPOWER TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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



Mr Ian Nurser
Accounting Officer
Date: 14 December 2021

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

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

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

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

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

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

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

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



.....
Dr Allan Howells

Chair of Trustees Date:
14 December
2021

EMPOWER TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Empower 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.

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

Other information

The other information comprises the information included in the Trustees Report (incorporating the Strategic Report and Directors Report) other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Trustees Report (incorporating the Strategic Report and Directors 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.

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

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.

Auditors' responsibilities for the audit of the financial statements

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

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

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the charitable company and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and charitable company awareness to carry out our work to the required standard.

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

EMPOWER TRUST
(A company limited by guarantee)

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

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.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:

17th December 2021

EMPOWER TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 19 August 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Empower 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 Empower Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Empower 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 Empower Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Empower Trust's funding agreement with the Secretary of State for Education dated 30 May 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

EMPOWER TRUST
(A company limited by guarantee)

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

Conclusion

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

AM Malpass

Andrew Malpass BA FCA
WR Partners
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

17th December 2021

EMPOWER TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	17,056	233,402	250,458	2,194,674
Charitable activities	4	-	12,667,737	-	12,667,737	11,694,803
Teaching schools	28	-	129,025	-	129,025	120,690
Other trading activities	5	-	187,140	-	187,140	218,858
Investments	6	24,974	-	-	24,974	2,260
Total income		24,974	13,000,958	233,402	13,259,334	14,231,285
Expenditure on:						
Charitable activities		-	13,232,418	278,023	13,510,441	12,773,569
Teaching schools	28	-	128,144	-	128,144	106,571
Total expenditure		-	13,360,562	278,023	13,638,585	12,880,140
Net income /(expenditure)		24,974	(359,604)	(44,621)	(379,251)	1,351,145
Transfers between funds	18	(53,798)	(48,859)	102,657	-	-
Net movement in funds before other recognised gains/(losses)		(28,824)	(408,463)	58,036	(379,251)	1,351,145
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(1,454,000)	-	(1,454,000)	(452,000)
Net movement in funds		(28,824)	(1,862,463)	58,036	(1,833,251)	899,145

EMPOWER TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2021	Restricted funds 2021	Restricted fixed asset funds 2021	Total funds 2021	<i>Total funds 2020</i>
Note	£	£	£	£	£
Reconciliation of funds:					
Total funds brought forward	1,228,674	(10,074,675)	21,136,087	12,290,086	11,390,941
Net movement in funds	(28,824)	(1,862,463)	58,036	(1,833,251)	899,145
Total funds carried forward	1,199,850	(11,937,138)	21,194,123	10,456,835	12,290,086

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 40 to 73 form part of these financial statements.

EMPOWER TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 11259965

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	21,032,265	20,885,899
		<u>21,032,265</u>	<u>20,885,899</u>
Current assets			
Debtors	15	351,215	326,071
Cash at bank and in hand	22	2,454,623	2,583,172
		<u>2,805,838</u>	<u>2,909,243</u>
Creditors: amounts falling due within one year	16	(1,033,925)	(1,228,526)
Net current assets		<u>1,771,913</u>	<u>1,680,717</u>
Total assets less current liabilities		<u>22,804,178</u>	<u>22,566,616</u>
Creditors: amounts falling due after more than one year	17	(14,343)	(17,530)
Net assets excluding pension liability		<u>22,789,835</u>	<u>22,549,086</u>
Defined benefit pension scheme liability	24	(12,333,000)	(10,259,000)
Total net assets		<u>10,456,835</u>	<u>12,290,086</u>

EMPOWER TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 11259965

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	21,194,123	21,136,087
Restricted income funds	18	395,862	184,325
		<u>21,589,985</u>	<u>21,320,412</u>
Restricted funds excluding pension asset	18	21,589,985	21,320,412
Pension reserve	18	(12,333,000)	(10,259,000)
		<u>9,256,985</u>	<u>11,061,412</u>
Total restricted funds	18	9,256,985	11,061,412
Unrestricted income funds	18	1,199,850	1,228,674
		<u>10,456,835</u>	<u>12,290,086</u>
Total funds		10,456,835	12,290,086

The financial statements on pages 35 to 73 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

A. Howells

.....
Dr Allan Howells
Chair of Trustees
Date: 14 December 2021

The notes on pages 40 to 73 form part of these financial statements.

EMPOWER TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	20	320,819	434,568
Cash flows from investing activities	21	(449,368)	(80,672)
Change in cash and cash equivalents in the year		(128,549)	353,896
Cash and cash equivalents at the beginning of the year		2,583,172	2,229,276
Cash and cash equivalents at the end of the year	22, 23	2,454,623	2,583,172

The notes on pages 40 to 73 form part of these financial statements

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Academy 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.

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.

After making enquires, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust therefore continues to adopt the going concern basis in preparing its financial statements. The Trustees have also assessed the potential impact on the future operations of the Trust with regard to the Covid-19 outbreak. The Trust is considered to be well positioned given the current environment with no impact on the going concern basis of the financial statements.

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.

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **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 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.

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.

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

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 Tangible fixed assets

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

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

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

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 125 years
Long-term leasehold property	- 125 years
Furniture and equipment	- 5 years
Computer equipment	- 3 years
Property improvements	- 10 years

Where the Trust has been granted use of school buildings under a Church Supplement Agreement, the Academies Accounts Direction prescribes that under this agreement the risks and rewards if ownership remain with the Diocese and as such the assets are not recognised in the Trust's financial statements.

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.

Assets introduced on conversion related entirely to land and buildings. Four of the schools within the Trust have full title over their land and property. These have been included within freehold property above. The disposal of freehold property requires approval from the Secretary of State. Three schools have 125 year lease from Shropshire Council and are included within long term leasehold property.

St Peter's CofE Infant and Nursery School occupies land (including buildings) which is owned by the Diocese of Lichfield. The diocese is the provider of the academy on the same basis as when the academy was a maintained school. The Academy occupies the land (and buildings) under a mere licence. This continuing permission of the Diocese is pursuant to, and subject to, the Diocese' charitable objects.

The licence delegates aspects of the management of the land (and buildings) to the Trust for the time being, but does not vest any rights over the land in the academy trust company. The Diocese has given an undertaking to the Secretary of State that it will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the Trust company is occupying the land (and buildings) the Governors have concluded that the value of the land and buildings occupied by the Trust will not be recognised on the balance sheet of the Trust.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

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

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.10 Liabilities

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

1.11 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.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

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.

EMPOWER TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

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.

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.

EMPOWER TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy Trust 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.

Assumptions used in pensions valuation

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

Critical areas of judgment:

St Peter's CofE Primary and Nursery School

The school occupies the premises under a Supplemental Agreement with the Diocese. There is no readily available and reliable estimator of market rent. As such, the donation in kind and related rental charge have not been included within the accounts. The net effect on the financial statements is Nil.

EMPOWER 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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
School fund surplus received on conversion	-	-	-	-	2,261
LA surplus / deficit received on conversion	-	-	-	-	76,826
Pension liability received on conversion	-	-	-	-	(447,000)
Land and buildings received on conversion	-	-	-	-	2,416,000
DFC received on conversion	-	-	-	-	19,834
Conversion balance	-	-	-	-	2,067,921
Donations	-	17,056	79,085	96,141	3,863
Capital Grants	-	-	154,317	154,317	122,890
Subtotal	-	17,056	233,402	250,458	126,753
Total 2021	-	17,056	233,402	250,458	2,194,674
<i>Total 2020</i>	76,826	(440,876)	2,558,724	2,194,674	

EMPOWER 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 educational activities

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
DfE/ESFA Grants			
General Annual Grant (GAG)	8,894,281	8,894,281	8,429,105
Other DfE/ESFA grants:			
Other DfE / ESFA Grant Income	529,493	529,493	540,090
Pupil Premium	908,196	908,196	653,869
Universal Infant Free School Meals (UIFSM)	304,776	304,776	288,639
PE and Sports Grant	150,118	150,118	133,104
	-	10,786,864	10,044,807
Other Government Grants			
Local Authority - SEN	274,060	274,060	297,340
Local Authority - Early Years	739,565	739,565	698,324
Local Authority - Other Grants	51,478	51,478	67,732
Other Government Grants	2,396	2,396	21,973
Rates reclaim	39,097	39,097	48,012
	1,106,596	1,106,596	1,133,381
Other Income	521,064	521,064	516,615
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	176,840	176,840	-
	176,840	176,840	-
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	76,373	76,373	-
	76,373	76,373	-
Total 2021	12,667,737	12,667,737	11,694,803
<i>Total 2020</i>	<i>11,694,803</i>	<i>11,694,803</i>	

EMPOWER TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Restricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Lettings	8,418	8,418	18,735
Other facilities and services	3,436	3,436	3,227
Insurance income	149,667	149,667	136,460
Income from music	11,442	11,442	21,600
Clubs income	14,353	14,353	25,715
Other trading income	(176)	(176)	13,121
Total 2021	<u>187,140</u>	<u>187,140</u>	<u>218,858</u>
<i>Total 2020</i>	<u>218,858</u>	<u>218,858</u>	

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Bank Interest	24,974	24,974	2,260
Total 2021	<u>24,974</u>	<u>24,974</u>	<u>2,260</u>
<i>Total 2020</i>	<u>2,260</u>	<u>2,260</u>	

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

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational Activities:					
Direct costs	6,363,090	-	675,615	7,038,705	6,555,133
Support costs	3,911,866	500,264	2,059,606	6,471,736	6,218,436
Teaching school	-	-	128,144	128,144	106,571
Total 2021	10,274,956	500,264	2,863,365	13,638,585	12,880,140
<i>Total 2020</i>	<i>9,505,683</i>	<i>623,502</i>	<i>2,750,955</i>	<i>12,880,140</i>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	7,038,705	6,471,736	13,510,441	12,773,569
Total 2021	7,038,705	6,471,736	13,510,441	12,773,569
<i>Total 2020</i>	<i>6,555,133</i>	<i>6,218,436</i>	<i>12,773,569</i>	

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	6,363,090	6,363,090	5,810,128
Educational Supplies	273,419	273,419	253,539
Technology Costs	206,239	206,239	208,382
Educational Consultancy	144,924	144,924	108,871
Other costs	51,033	51,033	174,213
Total 2021	<u>7,038,705</u>	<u>7,038,705</u>	<u>6,555,133</u>
<i>Total 2020</i>	<u>6,555,133</u>	<u>6,555,133</u>	

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

Analysis of support costs

	Educational Activities 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Staff costs	3,911,866	3,911,866	3,695,555
Depreciation	278,023	278,023	221,744
Other Staff Costs	339,046	339,046	376,388
Other costs	411,253	411,253	403,498
Rates	42,381	42,381	39,724
Energy	165,629	165,629	157,833
Risk Protection Arrangement Fees	41,994	41,994	24,817
Maintenance of Premises	251,562	251,562	324,933
Cleaning and Caretaking	113,035	113,035	111,621
Operating Leases	47,048	47,048	37,561
Security	14,911	14,911	17,651
Transport	1,803	1,803	7,330
Catering	364,559	364,559	305,465
Other Premises Costs	106,378	106,378	99,825
Legal and Professional	382,248	382,248	394,491
Total 2021	<u>6,471,736</u>	<u>6,471,736</u>	<u>6,218,436</u>
<i>Total 2020</i>	<u>6,218,436</u>	<u>6,218,436</u>	

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	<i>2020 £</i>
Operating lease rentals	47,048	27,283
Depreciation of tangible fixed assets	278,023	221,744
Fees paid to auditors for:		
- audit	12,850	12,600
- other services	5,600	5,100

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	7,406,126	6,775,551
Social security costs	602,683	562,411
Pension costs	2,132,026	1,972,825
	<u>10,140,835</u>	<u>9,310,787</u>
Agency staff costs	129,121	194,896
Staff restructuring costs	5,000	-
	<u>10,274,956</u>	<u>9,505,683</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	5,000	-
	<u>5,000</u>	<u>-</u>

During the period, £22,361 was paid in respect of the apprenticeship levy (2020: £22,124). This is included in the total staff costs above. The staff severance payment relates to a payment made to 1 member of staff.

b. Staff numbers

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

	2021 No.	2020 No.
Management	15	20
Teachers	98	95
Administration & Support	266	268
	<u>379</u>	<u>383</u>

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

10. Staff (continued)

c. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	3	3
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	2	4
In the band £100,001 - £110,000	1	1
	<u>7</u>	<u>10</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,314,392 (2020 £1,421,152).

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

11. Central services

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

- School improvement
- Finance
- HR & Payroll
- Procurement, Health & Safety and Estates Support

The Academy Trust charges for these services on the following basis:

A flat percentage of 5% GAG income is applied.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Greenacres Primary School	34,966	32,448
Market Drayton Infant and Nursery School	53,685	52,824
Market Drayton Junior School	70,059	67,488
St Peter's CofE Infant and Nursery School	74,221	74,196
Wilfred Owen School	49,720	48,300
Woodfield Infant School	50,250	48,756
St George's Junior School	67,313	64,944
St Mary's CE Primary School	44,501	32,500
Total	444,715	421,456

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:

		2021 £	2020 £
Mr Ian Nurser	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000

During the year ended 31 August 2021, expenses totalling £NIL were reimbursed or paid directly to Trustees (2020 - £822 paid to 1 Trustee). The expenses in 2020 were in relation to claims made by the CEO for travel to schools, training events and meetings.

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

13. Trustees' and Officers' insurance

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

	Freehold property £	Long-term leasehold property £	Property improvements £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation						
At 1 September 2020	12,081,000	8,970,000	-	125,874	121,401	21,298,275
Additions	-	-	228,764	32,738	162,892	424,394
At 31 August 2021	12,081,000	8,970,000	228,764	158,612	284,293	21,722,669
Depreciation						
At 1 September 2020	212,734	134,079	-	22,544	43,019	412,376
Charge for the year	96,648	71,760	11,190	26,899	71,531	278,028
At 31 August 2021	309,382	205,839	11,190	49,443	114,550	690,404
Net book value						
At 31 August 2021	11,771,618	8,764,161	217,574	109,169	169,743	21,032,265
At 31 August 2020	11,868,266	8,835,921	-	103,330	78,382	20,885,899

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	24,196	36,570
Other debtors	28,572	108,989
Prepayments and accrued income	298,447	180,512
	<u>351,215</u>	<u>326,071</u>

16. Creditors: Amounts falling due within one year

	2021 £	2020 £
Other loans	3,188	3,187
Trade creditors	293,825	433,363
Other taxation and social security	144,694	131,791
Other creditors	173,359	162,471
Accruals and deferred income	418,859	497,714
	<u>1,033,925</u>	<u>1,228,526</u>

	2021 £	2020 £
Deferred income at 1 September 2020	513,842	418,799
Resources deferred during the year	307,418	513,842
Amounts released from previous periods	(513,842)	(418,799)
	<u>307,418</u>	<u>513,842</u>

The deferred income for the year relates to income received for the following purposes:

- Universal Free School Meals
- Nursery Fees
- Early Years Funding
- Trip income

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NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Other loans	14,343	17,530

Included within other loans is an interest free salix loan of £17,531. The original loan amount was £25,500 which is repayable by instalments over an 8 year period.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
LA surplus received on						
conversion	1,224,101	-	-	(213,338)	-	1,010,763
Unrestricted donations	1,237	-	-	-	-	1,237
Investment income	3,336	24,974	-	(28,310)	-	-
School Fund	-	-	-	187,850	-	187,850
	<u>1,228,674</u>	<u>24,974</u>	<u>-</u>	<u>(53,798)</u>	<u>-</u>	<u>1,199,850</u>
Restricted general funds						
General annual grant (GAG)	-	8,894,281	(8,829,187)	-	-	65,094
Pupil Premium	-	908,196	(908,196)	-	-	-
Teaching School	49,621	129,025	(128,144)	(18,016)	-	32,486
Other grants and income	134,704	2,725,442	(2,544,520)	(30,843)	-	284,783
PE and Sports grant	-	150,118	(142,839)	-	-	7,279
COVID Catch up premium	-	176,840	(172,520)	-	-	4,320
Restricted donations	-	17,056	(15,156)	-	-	1,900
Pension reserve	(10,259,000)	-	(620,000)	-	(1,454,000)	(12,333,000)
	<u>(10,074,675)</u>	<u>13,000,958</u>	<u>(13,360,562)</u>	<u>(48,859)</u>	<u>(1,454,000)</u>	<u>(11,937,138)</u>

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

18. Statement of funds (continued)

**Restricted fixed
asset funds**

Class II
Restricted Funds

- all funds	20,885,900	80,585	(36,877)	102,657	-	21,032,265
DFC capital money	177,899	66,882	(65,342)	(17,581)	-	161,858
CIF capital money	72,288	85,935	(175,804)	17,581	-	-
	<u>21,136,087</u>	<u>233,402</u>	<u>(278,023)</u>	<u>102,657</u>	<u>-</u>	<u>21,194,123</u>
Total Restricted funds	<u>11,061,412</u>	<u>13,234,360</u>	<u>(13,638,585)</u>	<u>53,798</u>	<u>(1,454,000)</u>	<u>9,256,985</u>
Total funds	<u>12,290,086</u>	<u>13,259,334</u>	<u>(13,638,585)</u>	<u>-</u>	<u>(1,454,000)</u>	<u>10,456,835</u>

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

Unrestricted funds

The surplus balances brought forward are being used to support the Trust going forward.

Restricted funds

This includes the main ESFA and local authority funding and general expenditure of the Trust. The in year deficit is supported by the unrestricted funds.

Restricted fixed asset funds

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

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.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
LA surplus received on conversion	1,276,672	76,826	-	(129,397)	-	1,224,101
Unrestricted donations	1,237	-	-	-	-	1,237
Investment income	1,076	2,260	-	-	-	3,336
	<u>1,278,985</u>	<u>79,086</u>	<u>-</u>	<u>(129,397)</u>	<u>-</u>	<u>1,228,674</u>
Restricted general funds						
General annual grant (GAG)	-	8,429,105	(8,350,693)	(78,412)	-	-
Pupil Premium	-	653,869	(653,869)	-	-	-
Teaching School	35,502	120,690	(106,571)	-	-	49,621
Other grants and income	177,531	2,836,811	(2,869,475)	(10,163)	-	134,704
Pension reserve	(8,805,000)	(447,000)	(555,000)	-	(452,000)	(10,259,000)
	<u>(8,591,967)</u>	<u>11,593,475</u>	<u>(12,535,608)</u>	<u>(88,575)</u>	<u>(452,000)</u>	<u>(10,074,675)</u>
Restricted fixed asset funds						
Fixed asset fund	18,613,231	2,416,000	(221,743)	78,412	-	20,885,900
DFC capital money	90,692	70,436	(122,789)	139,560	-	177,899
CIF capital money	-	72,288	-	-	-	72,288
	<u>18,703,923</u>	<u>2,558,724</u>	<u>(344,532)</u>	<u>217,972</u>	<u>-</u>	<u>21,136,087</u>

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18. Statement of funds (continued)

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Total Restricted funds	10,111,956	14,152,199	(12,880,140)	129,397	(452,000)	11,061,412
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total funds	11,390,941	14,231,285	(12,880,140)	-	(452,000)	12,290,086
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Greenacres Primary School	112,641	54,770
Market Drayton Infant and Nursery School	336,429	295,204
Market Drayton Junior School	232,749	214,643
St Peter's Cof E Infant and Nursery School	141,632	140,278
Woodfield Infant School	129,821	98,556
Wilfred Owen Primary School	348,090	288,540
North Shropshire Teaching School Trust	50,502 (12,733)	49,621 45,142
St George's Junior School	234,239	204,931
St Mary's C.E. Primary School	22,342	21,314
Total before fixed asset funds and pension reserve	1,595,712	1,412,999
Restricted fixed asset fund	21,194,123	21,136,087
Pension reserve	(12,333,000)	(10,259,000)
Total	10,456,835	12,290,086

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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:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Greenacres Primary School	394,394	277,545	16,817	220,544	909,300	967,433
Market Drayton Infant and Nursery School	745,185	760,650	28,133	340,942	1,874,910	1,789,919
Market Drayton Junior School	859,913	474,650	49,987	337,199	1,721,749	1,684,823
St Peter's Cof E Infant and Nursery School	1,024,756	667,058	49,256	300,039	2,041,109	1,945,935
Woodfield Infant School	587,319	321,291	38,556	294,503	1,241,669	1,316,216
Wilfred Owen Primary School	609,783	451,858	25,171	357,961	1,444,773	1,317,099
North Shropshire Teaching School Trust	49,472 769,894	- 190,962	- 1,742	78,672 197,574	128,144 1,160,172	106,571 1,112,861
St George's Junior School	860,041	400,373	36,661	327,586	1,624,661	1,535,585
St Mary's C.E. Primary School	511,805	367,479	27,096	307,645	1,214,025	881,954
Academy Trust	6,412,562	3,911,866	273,419	2,762,665	13,360,512	12,658,396

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	21,032,265	21,032,265
Current assets	1,199,850	1,444,130	161,858	2,805,838
Creditors due within one year	-	(1,033,925)	-	(1,033,925)
Creditors due in more than one year	-	(14,343)	-	(14,343)
Provisions for liabilities and charges	-	(12,333,000)	-	(12,333,000)
Total	1,199,850	(11,937,138)	21,194,123	10,456,835

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	20,885,899	20,885,899
Current assets	1,228,674	1,430,382	250,187	2,909,243
Creditors due within one year	-	(1,228,526)	-	(1,228,526)
Creditors due in more than one year	-	(17,530)	-	(17,530)
Provisions for liabilities and charges	-	(10,259,000)	-	(10,259,000)
Total	1,228,674	(10,074,674)	21,136,086	12,290,086

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(379,251)	1,351,145
Adjustments for:		
Depreciation	278,028	221,744
Interest receivable	24,974	2,260
Defined benefit pension scheme obligation inherited	-	788,000
Defined benefit pension scheme finance cost	620,000	214,000
Increase in debtors	(25,144)	(37,440)
(Decrease)/increase in creditors	(197,788)	310,859
Assets received on conversion	-	(2,416,000)
Net cash provided by operating activities	320,819	434,568

21. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	(24,974)	(2,260)
Purchase of tangible fixed assets	(424,394)	(78,412)
Net cash used in investing activities	(449,368)	(80,672)

22. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	2,454,623	2,583,172
Total cash and cash equivalents	2,454,623	2,583,172

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

23. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	2,583,172	(128,549)	2,454,623
Debt due within 1 year	(3,187)	(1)	(3,188)
Debt due after 1 year	(17,530)	3,187	(14,343)
	<u>2,562,455</u>	<u>(125,363)</u>	<u>2,437,092</u>

24. Pension commitments

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

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

Contributions amounting to £162,100 were payable to the schemes at 31 August 2021 (2020 - £162,471) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £973,807 (2020 - £920,997).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy 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 £953,696 (2020 - £864,000), of which employer's contributions totalled £781,551 (2020 - £708,000) and employees' contributions totalled £ 172,418 (2020 - £156,000). The agreed contribution rates for future years are 17.1 per cent for employers and 5.5-6.5 per cent for employees.

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

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

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

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	4.05	3.55
Rate of increase for pensions in payment/inflation	2.90	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumption (CPI)	2.80	2.30

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.1	25.0
<i>Retiring in 20 years</i>		
Males	24.3	24.2
Females	26.7	26.6

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	11,962	9,965
Mortality assumption - 1 year increase	12,848	10,630
CPI rate +0.1%	12,713	10,561
Pay Growth +0.1%	12,397	10,315

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24. Pension commitments (continued)

Share of scheme assets

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

	2021 £	2020 £
Equities	2,109,000	1,380,000
Other bonds	816,000	631,000
Property	145,000	120,000
Cash and other liquid assets	70,000	49,000
Other	1,003,000	689,000
Total market value of assets	4,143,000	2,869,000

The actual return on scheme assets was £490,000 (2020 - £24,000).

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

	2021 £	2020 £
Current service cost	(1,208,000)	(1,083,000)
Past service cost	-	(5,000)
Interest cost	(176,000)	(158,000)
Administrative expenses	(18,000)	(17,000)
Total amount recognised in the Statement of Financial Activities	(1,402,000)	(1,263,000)

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

	2021 £	2020 £
At 1 September	13,128,000	9,986,000
Upon conversion	-	788,000
Current service cost	1,208,000	1,083,000
Interest on pension liabilities	235,000	193,000
Actuarial losses	1,884,000	935,000
Benefits paid	(150,000)	(18,000)
Past service costs	-	5,000
Member contributions	171,000	156,000
At 31 August	16,476,000	13,128,000

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24. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	2,869,000	1,181,000
Upon conversion	-	341,000
Interest income	59,000	35,000
Actuarial gains	430,000	483,000
Benefits paid	(150,000)	(18,000)
Administration expenses	(18,000)	(17,000)
Employer contributions	782,000	708,000
Member contributions	171,000	156,000
At 31 August	4,143,000	2,869,000

25. 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:

	2021 £	2020 £
Not later than 1 year	21,407	20,516
Later than 1 year and not later than 5 years	32,238	53,225
	53,645	73,741

26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

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NOTES TO THE FINANCIAL STATEMENTS
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27. Related party transactions

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

During the year the partner of a Trustee was remunerated £81,942 (2020: £71,889) for employment within the Trust as Executive Headteacher. The remuneration is included within key management remuneration.

During the prior year the Headteacher role at Greenacres Primary School was shared by husband and wife. The remuneration of both individuals has been included within key management remuneration. Both individuals retired in December 2020.

During the year the mother of the Executive Headteacher at Market Drayton infants and Juniors worked within the Trust as a cleaner.

During the year the son of the Headteacher at St George's School worked within the Trust as breakfast club leader.

All transactions were paid at standard rate and no amounts were outstanding at year end. The transactions have been conducted in accordance with the requirements of the Academies Financial Handbook, financial regulations and procurement procedures.

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Teaching school trading account

	2021 £	2021 £	2020 £	2020 £
Income				
Direct income				
Grant income	123,475		118,660	
Other income	5,550		2,030	
Total direct income	<u>129,025</u>		<u>120,690</u>	
Total income		129,025		120,690
Expenditure				
Direct expenditure				
Direct staff costs	49,472		21,986	
Staff development	5,224		6,437	
Other direct costs	72,416		71,785	
Total direct expenditure	<u>127,112</u>		<u>100,208</u>	
Other expenditure				
Other support costs	1,032		6,363	
Total expenditure		<u>128,144</u>		<u>106,571</u>
Surplus from all sources		881		14,119
Teaching school balances at 1 September 2020		49,621		35,502
Teaching school balances at 31 August 2021		<u>50,502</u>		<u>49,621</u>