

Company Registration No. 11697576 (England and Wales)

**ODYSSEY COLLABORATIVE TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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ODYSSEY COLLABORATIVE TRUST

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ODYSSEY COLLABORATIVE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

R Arnold (Resigned 22 November 2020)
V Warner
M Needham
A Hardman
M Seller

Trustees

M Seller (Chair of Trustees)
S Pringle
T Clay
A Brown
M Moore
R Burton (Resigned 26 November 2019)
S Charles
L Partridge
L Baddiley

Senior management team

- Chief Executive Officer & Accounting Officer	D Blackwell
- Chief Finance Officer	J Bunting
- Chief Operations Officer	A Greaves
- Headteacher, Asterdale Primary School	K Forrest
- Headteacher, Borrow Wood Primary School	Z Fletcher
- Acting Headteacher, Springfield Primary School	J Joyce
- Headteacher, Beaufort Community Primary School	C Dewberry
- Headteacher, Portway Junior School	K Puszczynska
- Headteacher, Cherry Tree Hill Primary School	P Appleton

Company registration number 11697576 (England and Wales)

Principal and registered office The Hub Borrowash Road
Spondon
Derby
DE21 7PH
England

Independent auditor UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

ODYSSEY COLLABORATIVE TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds
St Peters Street
Derby
DE1 2AA

Solicitors

Flint Bishop LLP
St Michaels Court
St Michaels Lane
Derby
DE1 3HQ

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their annual report together with the financial statements and auditor's 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.

The Odyssey Collaborative Trust operates 6 primary schools in the City of Derby. Its schools have a combined pupil capacity of approximately 2,355 excluding the nursery provision. There were 2,097 pupils from Reception to Year 6 recorded as on roll in the school census on 1 October 2020.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees Odyssey Collaborative Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Odyssey Collaborative Trust. The names of the schools are as follows:-

- Asterdale Primary School
- Beaufort Primary School
- Borrow Wood Primary School
- Cherry Tree Hill Primary School
- Portway Junior School
- Springfield Primary School (contains an Enhanced Resource Facility to support 30 pupils with a diagnosis of autism and an Education Health Care Plan)

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.

Members' liability

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

Trustees' indemnities

The academy trust maintains trustees' liability insurance which gives appropriate cover for any legal action brought against its Trustees. The academy trust has also granted indemnities to each of its Trustees to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as directors of the academy trust.

Details of the insurance cover are provided in note 12 to the financial statements.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Method of recruitment and appointment or election of trustees

The method of recruitment and appointment or election of Trustees is laid down in the Articles and Memorandum of Association. The number shall not be less than 3. The members may appoint by ordinary resolution up to 11 Trustees. The total number of Trustees, including the Chief Executive Officer if they so choose to act as Trustee under Article 57, who are employees of the academy trust, shall not exceed one third of the total number of Trustees. The term of office for any Trustee shall be four years and they may be re-appointed or re-elected at an Annual General Meeting.

Policies and procedures adopted for the induction and training of trustees

The Trustees have a vital role in our organisation. We aim to attract and retain people who have commitment, experience and the necessary skills to make a difference in the communities that we serve.

Training for the Trustees is delivered on the following levels:

- Training received during Trust meetings delivered in house
- External trainers deliver key elements particularly covering statutory responsibilities
- Attendance at regional and national events
- Email alerts from National Bodies and the Clerk to Trustees

Organisational structure

The Chief Executive is the Accounting Officer of the Trust and as such has ultimate responsibility for the operations and controls in place. At the point of approval of these financial statements Odyssey Collaborative Trust included the following schools:

School	Date of Conversion	Type
Asterdale Primary School	1 March 2019	Primary (Convertor)
Borrow Wood Primary School	1 March 2019	Primary (Convertor)
Springfield Primary School	1 March 2019	Primary (Convertor)
Beaufort Primary School	1 April 2019	Primary (Convertor)
Cherry Tree Hill Primary School	1 April 2019	Primary (Convertor)
Portway Junior School	1 April 2019	Primary (Convertor)

The Odyssey Collaborative Trust has established a Board of Trustees, who are responsible for identifying and establishing strategies and policies and for ensuring they are implemented. Where appropriate, duties are delegated to committees and employees of Odyssey Collaborative Trust.

During the period to 31st August 2020 the Board of Trustees had an Audit & Resources Committee and Education Committee to assist them, in carrying out their responsibilities.

Committee Terms of Reference are reviewed and agreed on an annual basis by the Board of Trustees. The trustees have a detailed scheme of delegation for effective and efficient decision making for its committees and senior staff throughout the Odyssey Collaborative Trust.

The appointment of trustees, auditors, approval of annual financial statements and budgets along with the approval of policies and procedures implemented within the trust remain the responsibility of the Board.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Arrangements for setting pay and remuneration of key management personnel

The salaries of the key management personnel of the trusts central team are set by the Board of Trustees at a level consistent with the skills and experience required and appropriate to market rates. These will link to annual performance reviews carried out by a panel appointed by the Trustees.

The scheme of delegation requires that any pay recommendations for the CEO must be approved by the Board of Trustees.

Performance is measured in terms of setting objectives with robust targets that delivers key strategic priorities across the Trust.

Senior management personnel are considered to be the key staff in driving the continued success of the Trust and their pay is set to reflect this and to recruit and retain excellent staff. This is also viewed with Best Value in mind and is looked at in terms of benchmarking against other similar academy trusts and other sectors where applicable.

The Board of Trustees take great care to ensure the public obtain value for money from the personnel appointed within the Trust and are attentive to excessive levels of pay. The Board of Trustees and its committees ensure any changes to previously approved salary ranges are reported discussed and challenged through this process, this includes annual reports and recommendations for senior leaders to the Resources and Audit Committee. All reports submitted follow an evidence-based process and reflects the individuals' roles and responsibilities and the context and challenges the particular role faces.

Trade union facility time

During the period Odyssey Collaborative Trust employed no relevant union officials.

Related parties and other connected charities and organisations

Trust Head Teachers are members of one of the Primary Education Improvement Partnerships (PEIPs) which operate in Derby City. M Seller has been the paid facilitator of this group since February 2014 a role he continues to pursue, as agreed by the Planning Group for the PEIP. As a result of this potential Conflict of Interests, both Odyssey Head Teachers who served on the Planning Group have now ceased in this role, as far as decision making is concerned, so any decisions on the future contracting of M Seller's services cannot be influenced by any individual connected to Odyssey.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Engagement with employees (including disabled persons)

The Companies (Miscellaneous Reporting) Regulations 2018 introduced a requirement for companies with more than 250 employees to include a statement in their Trustees' Report summarising action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests
- encouraging the involvement of employees in the company's performance
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company.
- its policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled person

The minutes of Trust meetings are available to Local Governing Boards and a summary is shared by the Accounting Officer with Head Teachers, so employees can be provided with relevant information, and ensure channels of communication are effective. The Trust sought the views of teaching and support staff during this period through a questionnaire issued on 4th October 2019. The Trust's Strategic Plan received input from all schools and the Scheme of Delegation was subject to extensive consultation with Chairs of Governors and Head Teachers. The Trust has adopted and implemented policies in Equality and Diversity and Special Educational Needs and Disabilities.

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

During the year, the Trust has ensured they maintain good business relationships with suppliers, customers and others. This has been a challenging year and it has been extremely important to maintain contact with key suppliers to maintain long term relationships and support each other during these difficult times. For example working closely with the cleaning contractor to ensure compliance with government guidance for providing safer environments in light of the COVID pandemic. This included developing risk assessments, agreement on the use of recommended alternative cleaning products and a the flexibility of both parties to accommodate an increase in the frequency of cleaning throughout the day. In turn, this minimised the need for the contractor to furlough employees throughout the period of the partial closure of schools. In addition, there was regular communication with supply agencies to support those individuals that were on long term supply with the Trust and the local authority catering provider to interpret the guidance set out in Procurement Policy Note 02/20 to ensure compliance.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

Odyssey Collaborative Trust was formed to advance, for the public benefit, education in the United Kingdom, in particular, by establishing, maintaining, carrying on, managing and developing schools, offering a broad and balanced curriculum.

Objects and Aims

Odyssey Collaborative Academy Trust aims to:

- Provide a lifelong love of learning
- Achieve personal and academic excellence
- Create opportunities and experiences which raise aspirations
- Deliver a creative, relevant and inspirational curriculum
- Foster positive, confident learners
- Promote equality, citizenship and respect
- Celebrate diversity and individuality
- Develop Healthy and active communities

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives, strategies and activities

The Trust aims to provide a high quality of education to all pupils attending its schools. During the period covered by this report, the focus has been on the further establishment of the Odyssey Collaborative Trust, with the aims for it to be secure financially, compliant with the Academies Financial Handbook and improving the schools within the Trust. The Trust's Strategic Plan addresses the following four priorities:

Priority 1 – To improve and support all schools within the Trust

To ensure that all schools within the Trust are giving an outstanding level of education to all pupils through the high quality of leadership at Trust and school levels, including governance. Challenge and support will be given to the leaders at each school within the Trust, with staff being equipped with the necessary skills and professional development to continue to drive school improvement in the classroom and ensure that teaching and learning is highly effective.

Priority 2 – To further develop and refine infrastructure and Central Services to deliver financial efficiencies and high quality of service

The Trust recognises that it will maximise its chances of achieving excellence in the outcomes achieved by its pupils, when its schools and their leaders have access to a comprehensive level of support in the areas of school leadership that are non-educational. By combining together as a Multi Academy Trust, schools have benefited from economies of scale in a range of areas, including Health and Safety, Management Systems, Finance, HR and Premises, to name but a few. The aim of the Trust is always to enable the maximum possible level of finance to be available for school improvement, by securing systems and structures that offer a high level of value for money.

Priority 3 – To improve Trust governance at all levels to ensure improved outcomes for all schools

The Odyssey Scheme of Delegation gives a very high level of autonomy to individual schools within the Trust, believing that the majority of key decisions are best made at local level by a school's Senior Leadership Team and Local Governing Board. The Trust recognises that it will operate most effectively when governance is strong at every level and there are clear lines of responsibility and accountability between its Local Governing Boards and its Board of Trustees.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Priority 4 – Growth

The Trust exists to improve outcomes for children in the City of Derby and its geographic near neighbours, and is committed to bringing new schools into the Trust, to increase its scope and effectiveness. It has adopted a Growth Strategy to ensure that this is timely, well planned for and properly managed. By growing in a measured and realistic manner, the Trust will be able to achieve greater economies of scale and support more vulnerable schools to make necessary and rapid improvements.

The Trust plans to achieve these objectives through:

- Securing excellence in leadership at all levels
- Sustaining momentum across the improvement journey
- Curriculum innovation
- Standards monitoring, data analysis & effective school improvement planning
- Developing strong links with a range of strategic partners, including the Local Authority
- Facilitated school-to-school networks, coordinating and brokering expertise
- Recruiting and developing excellent staff
- Excellent financial management and value for money

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

Pupil Outcomes

Due to COVID-19, formal assessment data is not available in the same way as published in previous years. However, the results submitted by schools using Teacher Assessment for Key Stage 2 in 2020 are as follows, with 2019 results in brackets:

Percentage of Odyssey pupils achieving the expected standard in Reading (73% National 2019)	Percentage of Odyssey pupils achieving the expected standard in Writing (78% National 2019)	Percentage of Odyssey pupils achieving the expected standard in Maths (79% National 2019)	Percentage of Odyssey pupils achieving the expected standard in Spelling, Punctuation and Grammar (78% National 2019)
83 (75)	79 (76)	83 (82)	82 (75)
Percentage of Odyssey pupils exceeding the expected standard in Reading (27% National 2019)	Percentage of Odyssey pupils exceeding the expected standard in Writing (20% National 2019)	Percentage of Odyssey pupils exceeding the expected standard in Maths (27% National 2019)	Percentage of Odyssey pupils exceeding the expected standard in Spelling, Punctuation and Grammar (36% National 2019)
35 (24)	19 (18)	25 (22)	30 (30)

*Assessment information does not include pupils in Springfield's Enhanced Resource Facility

Trust Summary

- MAT results have improved significantly in Reading since 2019 and are well above national percentages from 2019. The percentage of pupils at every school achieving the expected standard in reading is above national
- MAT results are in-line or above national percentages in all measures with the exception of the percentage of pupils achieving Greater Depth in SPaG
- MAT results have improved from 2019 in all measures, with the exception of one, where they have remained the same

Progress against objectives detailed in Trust's Strategic Plan

Priority 1 – To improve and support all schools within the Trust

Achievements

- School Improvement Strategy devised and implemented
- School on a Page completed for each school
- Writing moderation held for every Year Group
- School Performance Review Cycle embedded
- Networks in place for Deputy Heads, English, Maths, PSHE and PE

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Priority 2 – To further develop and refine infrastructure and Central Services to deliver financial efficiencies and high quality of service

Achievements

- Support utilised from School Resources Management Advisor, with report produced, with recommendations acted upon
- School Business Manager network embedded effectively
- School top-slice agreed with services clearly broken down to illustrate services provided
- Over £2.5 million worth of successful Condition Improvement Fund bids

Priority 3 – To improve Trust governance at all levels to ensure improved outcomes for all schools

Achievements

- Committee structure fully embedded at Trust level
- Effective Local Governing Boards at all schools
- Effective communication between Trustees and LGB established, with named Trustee supporting that interface
- Recommendations from auditors and School Resource Management Advisor are fully implemented

Priority 4 – Growth

Achievements

- The academy trust plans to welcome two new schools into the Trust during the year 2020-2021
- The academy trust is in discussions with Governors at three other schools in Derby, exploring the possibility of them joining the Trust at some point in the future.

Key performance indicators

The Ofsted grades of the schools in the Trust are:

School Inspection	Grade	Date of last
Asterdale Primary School	Good	Autumn 2018
Beaufort Primary School	Good	Autumn 2017
Borrow Wood Primary School	Requires Improvement	Spring 2017
Cherry Tree Hill Primary School	Good	Summer 2018
Portway Junior School	Good	Autumn 2017
Springfield Primary School	Good	Spring 2018

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Promoting the success of the company

Promoting the success of the company

As required under section 172(1)(a) to (f) of the Companies Act 2006, directors of the Odyssey Collaborative Trust act in a way that is most likely to promote the success of the Trust, and in doing so, they have regard to:

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

The Trust's Strategic Plan gives the detail of how the Trust intends to achieve its charitable purposes. The following have been used with regard to the bullet points shown above:

- The Trust's Three Year Strategic Plan
- The development of an IT Strategy
- The introduction of a Catering contract for 4 of its schools, with the option for adding other schools further down the line
- Budget planning software and monitoring, which enables long term planning
- Feedback from employees
- The Trust's own self evaluation
- External evaluations from the School Resource Management Advisor and internal and external auditors

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

Most of the academy trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2020, incoming resources totalled £10,647,147 (2019: £30,005,456) and total expenditure was £11,822,504 (2019: £5,206,814) creating a deficit of £1,175,357 (2019: surplus of £24,798,642). When the movements on the local government pension scheme gain of £19,000 (2019: loss £1,295,000) are taken into account there was a deficit of £1,156,357 (2019: surplus of £23,503,642).

An in-year deficit, excluding the fixed asset restricted fund and pension reserve, is £62,586 (2019: in-year surplus of £2,998). Total reserves at 31 August 2020, excluding fixed asset fund and pension reserve, were £764,180 (2019: £826,766).

At 31 August 2020, the net book value of fixed assets was £26,770,105 (2019: £27,135,876) and movements in tangible fixed assets are shown in note 13 to the financial statements. During the year the assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

Reserves policy

Level of Reserves

As Odyssey Collaborative Trust only uses one bank account this reduces the cash flow risk to specific individual Academies.

Odyssey Collaborative Trust fully appreciates the variable nature of school funding. As a result it is not possible to authorise a fixed level of reserves for each of its academies.

The Trust continues to believe that the preferred reserves to be held by an individual Academy is 5% - 8% of its most recent General Annual Grant Income. But it must be acknowledged that each individual Academy within the Trust will vary in terms of forward projections.

Five of the six schools meet the reserves policy of 5% to 8% of GAG. Portway Juniors School has a deficit of £13,097 and does not meet the reserves policy criteria in the year ended 31 August 2020. The deficit arose as capital work planned for 20/21 was brought forward to ensure the school was Covid Safe. The position will be corrected in 20/21 when the expense was budgeted for.

The Chief Finance Officer will therefore present to the Resource Committee a termly projection of the forecast reserve level of each Academy. This will coincide with the 3-year outturn projections. Discussion upon use of such reserves can then be tabled, discussed and minuted on a regular basis.

As at 31 August 2020 the trust's 'free' reserves i.e. those reserves that are freely available for general purposes of the trust total £764,180 (2019: £826,766). The restricted fixed asset fund totals £26,770,105 (2019: £27,135,876) which can only be realised by disposing of tangible fixed assets. The restricted reserves deficit of £5,187,000 (2019: £4,459,000) relates to the Local Government Pension Fund which is due to be repaid in line with the agreed terms of the Fund. The deficit position on the pension scheme would result in a cash flow effect in the form of an increase in employer's contributions over a period of years. Total funds as at 31 August 2020 equate to £22,347,285 (2019: £23,503,642).

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

The Trust does not yet have an Investment Policy. Surplus finances have remained in the Trust's bank account, with no investments made during this period.

Principal risks and uncertainties

The Trust agreed and adopted a comprehensive and robust Risk Register on 24 October 2019, following extensive work from one of the Members, supported by the Chair of Trustees and the Chief Executive Officer. This Risk Register has identified potential risks to the Trust and the controls that have been put in place to minimise risk and ensure that the Trust is protected. The Trust is a member of the DfE Risk Protection Arrangements. As with most Academy Trusts, the main risk is around maintaining financial stability during the current period of uncertainty regarding future funding, both locally and nationally. Additional identified risks include the loss of crucial information in the event of fire, theft or vandalism, the risk of which has been mitigated by adopting a Business Continuity Plan.

The Risk Register has reviewed at every subsequent meeting of the Resources and Audit Committee during the period covered by this report. During this period, the Trust has adopted an additional strand to the Register, pertaining to the impact of COVID-19 on the Trust, both educationally and financially.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year at an individual school level was monitored by the Trustees.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2019 to 31 August 2020

Energy consumption used to calculate emissions (kWh)	632,353.00
- Gas	178,517.00
- electricity	453,836.00
- transport fuel	-
Scope 1 emissions in metric tonnes CO2e	
- gas consumption	32.82
- owned transport - mini buses	-
Total scope 1	32.82
Scope 2 emissions in metric tonnes CO2e	
- purchased electricity	105.81
Scope 3 emissions in metric tonnes CO2e	
- business travel in employees own vehicles	-
Total gross emissions in metric tonnes CO2e	138.63
Intensity ratio	
Tonnes CO2e per pupil	0.06

Quantification and Reporting 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 2020 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.

Measurement taken to improve energy efficiency

The Trust is to explore the possibility of installing smart meters at all sites only one site currently has these installed.

ODYSSEY COLLABORATIVE TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Plans for future periods

The Odyssey Collaborative Trust has a Growth Plan, as the Trust recognises that it needs to grow, in order to become more financially efficient and make a greater contribution to the Education system in Derby City and the local area, exerting a greater influence on the education of more pupils. The Trust also recognises that Growth needs to be carefully managed, particularly in the Trust's early stages, as it ensures that the schools currently in the Trust have the foundations in place and the capacity, both educationally and financially, to ensure that when new schools are admitted into the Trust, the transition will be smooth and ultimately a successful one for both parties.

Trustees have adopted a due diligence framework to ensure that the risk of admitting new schools is minimised and that the Trust is protected from future dilution of its current strengths.

The Trust has agreed and implemented a Strategic Plan, part of which will ensure that schools have access to continued high quality core services from the Trust. Greater efficiencies of scale will be reviewed and refined in the areas of:

- School Improvement
- Central Services
- Trust Infrastructure
- Financial Efficiency

Funds held as custodian trustee on behalf of others

During the period 1 September 2019 to 31 August 2020, the Trust has held a small amount of funding on behalf of one of the Primary Education Improvement Partnerships which operate in Derby City. These are facilitated groups which are run by Head Teachers, with the purpose of sharing good practice in the leading of learning across all the member schools. Schools pay for their Head Teachers to be members of this group and this funding is used to pay for venues and facilitation and the attendance of an Ofsted trained School Improvement Officer.

Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the 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 auditor is 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 11/12/20 and signed on its behalf by:



M Seller

Chair of Trustees

ODYSSEY COLLABORATIVE TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Odyssey Collaborative 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 the Odyssey Collaborative 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 10 times during the period between 1 September 2019 and 31 August 2020. There was a higher number of meetings held during this period for the Trustees to address the challenges presented by COVID-19. R Burton resigned from his role as Trustee on the 26 November 2019. Attendance during this period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M Seller (Chair of Trustees)	9	10
S Pringle	8	10
T Clay	8	10
A Brown	10	10
M Moore	10	10
R Burton (Resigned 26 November 2019)	1	3
S Charles	8	10
L Partridge	10	10
L Baddiley	8	10

The Trust currently operates with 9 Trustees, with 1 vacancy, due to the resignation of R Burton in the autumn.

ODYSSEY COLLABORATIVE TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees carried out a review of governance in October 2019 using a self-evaluation based on the 21 questions for governance. All trustees gave their evaluation of the strengths and weaknesses of governance and their responses were collated by the clerk.

A number of areas were identified for development and these were RAG rated and included in an improvement plan. Areas rated red or red/amber were;

- Develop understanding of trustee roles and responsibilities, including what it means to be strategic
- Make better use of good practice from across the country
- Need to carry out a 360° review of the chair's performance
- Develop a trustee succession plan
- Carry out an annual review of each trustee's contribution to the board's performance
- Develop our vision to ensure it looks forward three to five years and includes consideration of what the children who have left trust schools have achieved
- Introduce regular reports to our stakeholders on the work of the trust board
- Ensure performance management of all staff within the trust is effective.

The implementation of the improvement plan has been delayed during the Covid emergency and will become a focus for the work of trustees from January 2021 depending on the Covid situation at that point.

A further review will be carried out during the academic year 2021/22.

ODYSSEY COLLABORATIVE TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Resources and Audit committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the Board of Trustees, by enabling more detailed discussion and consideration on the financial management and utilisation of resources, risk management and audit matters:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
L Partridge (Chair)	5	5
L Baddiley	5	5
S Pringle	5	5
R Burton (resigned 26 November 2019)	0	2
T Clay	4	5
M Moore	5	5
D Blackwell (Accounting Officer)	5	5

The Education committee is also a sub-committee of the main board of trustees. Its purpose is to ensure that outcomes for pupils improve in all Trust schools and that pupils receive the best possible Quality of Education.

Attendance at meetings in the period covered by this report was as follows

Trustee	Meetings attended	Out of a possible
S Charles	3	3
A Brown	3	3
M Seller	2	3
D Blackwell (Accounting Officer)	3	3

ODYSSEY COLLABORATIVE TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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:

- Ensuring that services supplied centrally are of a high quality, offering savings for individual schools through economies of scale;
- Successfully bidding for funding from the MAT Development and Improvement Fund to reduce set-up costs for the Trust;
- Procuring an external Education Improvement Officer as a Trust, giving high quality and Value for Money support to its schools.

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 Odyssey Collaborative Trust for the period to 31 August 2020 and up to the date of approval of the annual report and accounts.

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 period to 31 August 2020 and up to the date of approval of the annual report and accounts. 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 Resources and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

ODYSSEY COLLABORATIVE TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The board of trustees has considered the need for a specific internal audit function and has decided to appoint UHY Hacker Young until August 2020 and Smith Cooper from 1 September 2020 as internal auditor.

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

- testing of payroll systems;
- testing of purchase systems;
- testing of controls / bank reconciliations.

On a triannual basis, the internal auditor reports to the board of trustees through the audit and resources committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

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:

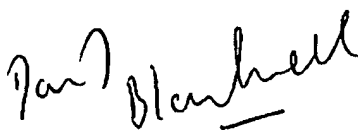
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the board of trustees on ^{11/12} 11/12/2020 and signed on its behalf by:



M Seller
Chair of Trustees



D Blackwell
Accounting Officer

ODYSSEY COLLABORATIVE TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2020


As accounting officer of Odyssey Collaborative Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy 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 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of 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 2019.

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

Financial issues

- management accounts have not been produced for the year. Per 2.18 of the Academies Financial Handbook, "The trust must prepare management accounts every month, setting out its financial performance and position. Managers must take appropriate action to ensure ongoing viability". The financial information that is distributed does include features of management accounts but does not include a consolidated position, cash flow or balance sheet. Steps have been taken since the year end to implement a robust, regular management accounting system.



D Blackwell
Accounting Officer

11/12/2020

ODYSSEY COLLABORATIVE TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Odyssey Collaborative Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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 accounts for each financial year. Under company law, the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020;
- make judgements 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 11/12/20 and signed on its behalf by:



M Seller

Chair of Trustees

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODYSSEY
COLLABORATIVE TRUST
FOR THE YEAR ENDED 31 AUGUST 2020**

Opinion

We have audited the accounts of Odyssey Collaborative Trust for the Year ended 31 August 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

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 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODYSSEY
COLLABORATIVE TRUST (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions 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 incorporated strategic report for the financial Year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 incorporated 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 accounts 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ODYSSEY
COLLABORATIVE TRUST (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

Elizabeth M Searby

**Elizabeth Searby (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young**

11 December 2020

**Chartered Accountants
Statutory Auditor**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO ODYSSEY COLLABORATIVE TRUST AND THE EDUCATION AND
SKILLS FUNDING AGENCY
FOR THE YEAR ENDED 31 AUGUST 2020**

In accordance with the terms of our engagement letter dated 30 April 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Odyssey Collaborative Trust during the period 1 September 2019 to 31 August 2020 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 Odyssey Collaborative Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Odyssey Collaborative 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 Odyssey Collaborative Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Odyssey Collaborative Trust's funding agreement with the Secretary of State for Education dated 1 March 2018 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO ODYSSEY COLLABORATIVE TRUST AND THE EDUCATION AND
SKILLS FUNDING AGENCY (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review of enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Management accounts have not been produced for the year. Per 2.18 of the Academies Financial Handbook, "The trust must prepare management accounts every month, setting out its financial performance and position. Managers must take appropriate action to ensure ongoing viability". The financial information that is distributed does include features of management accounts but does not include a consolidated position, cash flow or balance sheet. Steps have been taken since the year end to implement a robust, regular management accounting system.

UHY Hacker Young

Reporting Accountant

UHY Hacker Young
14 Park Row
Nottingham
NG1 6GR

Dated: 11 December 2020

ODYSSEY COLLABORATIVE TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds £	Restricted funds: General	Fixed asset £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and capital grants	3	10,281	-	76,665	86,946	37,487
Donations - transfer from local authority on conversion		-	-	-	-	25,290,972
Charitable activities:						
- Funding for educational operations	4	-	10,185,650	-	10,185,650	4,487,078
Other trading activities	5	211,428	162,532	-	373,960	189,746
Investments	6	591	-	-	591	173
Total		222,300	10,348,182	76,665	10,647,147	30,005,456
Expenditure on:						
Charitable activities:						
- Educational operations	8	88,272	11,242,763	491,469	11,822,504	5,206,814
Total	7	88,272	11,242,763	491,469	11,822,504	5,206,814
Net income/(expenditure)		134,028	(894,581)	(414,804)	(1,175,357)	24,798,642
Transfers between funds	17	(196,614)	147,581	49,033	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	19,000	-	19,000	(1,295,000)
Net movement in funds		(62,586)	(728,000)	(365,771)	(1,156,357)	23,503,642
Reconciliation of funds						
Total funds brought forward		826,766	(4,459,000)	27,135,876	23,503,642	-
Total funds carried forward		764,180	(5,187,000)	26,770,105	22,347,285	23,503,642

ODYSSEY COLLABORATIVE TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative Year information Year ended 31 August 2019	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2019 £
Income and endowments from:					
Donations and capital grants	3	17,372	-	20,115	37,487
Donations - transfer from local authority on conversion		823,768	(3,094,000)	27,561,204	25,290,972
Charitable activities:					
- Funding for educational operations	4	-	4,487,078	-	4,487,078
Other trading activities	5	92,666	97,080	-	189,746
Investments	6	173	-	-	173
Total		<u>933,979</u>	<u>1,490,158</u>	<u>27,581,319</u>	<u>30,005,456</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	-	4,721,716	485,098	5,206,814
Total	7	<u>-</u>	<u>4,721,716</u>	<u>485,098</u>	<u>5,206,814</u>
Net income/(expenditure)		933,979	(3,231,558)	27,096,221	24,798,642
Transfers between funds	17	(107,213)	67,558	39,655	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,295,000)	-	(1,295,000)
Net movement in funds		826,766	(4,459,000)	27,135,876	23,503,642
Reconciliation of funds					
Total funds brought forward		-	-	-	-
Total funds carried forward		<u>826,766</u>	<u>(4,459,000)</u>	<u>27,135,876</u>	<u>23,503,642</u>

ODYSSEY COLLABORATIVE TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13	26,770,105		27,135,876	
Current assets					
Debtors	14	450,065		803,826	
Cash at bank and in hand		1,184,160		732,304	
		<u>1,634,225</u>		<u>1,536,130</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	<u>(870,045)</u>		<u>(709,364)</u>	
Net current assets			764,180		826,766
Net assets excluding pension liability			<u>27,534,285</u>		<u>27,962,642</u>
Defined benefit pension scheme liability	19	<u>(5,187,000)</u>		<u>(4,459,000)</u>	
Total net assets			<u><u>22,347,285</u></u>		<u><u>23,503,642</u></u>
Funds of the academy trust:					
Restricted funds	17				
- Fixed asset funds		26,770,105		27,135,876	
- Pension reserve		<u>(5,187,000)</u>		<u>(4,459,000)</u>	
Total restricted funds		<u>21,583,105</u>		<u>22,676,876</u>	
Unrestricted income funds	17		764,180		826,766
Total funds			<u><u>22,347,285</u></u>		<u><u>23,503,642</u></u>

The accounts on pages 29 to 58 were approved by the trustees and authorised for issue on 31/12/2020 and are signed on their behalf by:



M Seller

Chair of Trustees

Company Number 11697576

ODYSSEY COLLABORATIVE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	20	500,298		(51,982)	
Cash funds transferred on conversion		-		823,768	
		<u>500,298</u>		<u>771,786</u>	
Cash flows from investing activities					
Dividends, interest and rents from investments		591		173	
Capital grants from DfE Group		76,665		20,115	
Purchase of tangible fixed assets		<u>(125,698)</u>		<u>(59,770)</u>	
Net cash used in investing activities		(48,442)		(39,482)	
Net increase in cash and cash equivalents in the reporting period		451,856		732,304	
Cash and cash equivalents at beginning of the year		732,304		-	
Cash and cash equivalents at end of the year		<u><u>1,184,160</u></u>		<u><u>732,304</u></u>	

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Odyssey Collaborative Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company 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 accounts 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 accounts.

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 period for which it is receivable, and any abatement in respect of the period 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.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(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 period in which it is receivable (where there are no performance-related conditions), where the 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 period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations 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.

Transfer of assets on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

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 are allocated on the portion of the asset's use.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land and buildings	2% straight line
Computer equipment	20% - 33.3% straight line
Fixtures, fittings & equipment	20% straight line

Long Leasehold Land and Buildings were transferred at their valuation as at their respective transfer date when transferring into the academy trust. The valuation basis used was depreciated replacement cost.

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

1.6 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.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.7 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.8 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 basis 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.

1.9 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 chapter 3 part 11 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.

1.10 Pensions benefits

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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are recognised in the period to which they relate.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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.

1.11 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 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.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	76,665	76,665	20,115
Other donations	10,281	-	10,281	17,372
	<u>10,281</u>	<u>76,665</u>	<u>86,946</u>	<u>37,487</u>

Donations and capital grants in year ended 31 August 2020 totalled £86,946 (2019: £37,487) of which £10,281 related to unrestricted funds (2019: £17,372) and £76,665 related to restricted fixed assets (2019: £20,115).

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	7,625,210	7,625,210	3,377,828
Start up grants	-	-	-	245,000
Other DfE group grants	-	1,498,403	1,498,403	508,198
	-	9,123,613	9,123,613	4,131,026
Other government grants				
Local authority grants	-	1,010,737	1,010,737	356,052
Exceptional Government funding				
Coronavirus exceptional support	-	51,300	51,300	-
Total funding	-	10,185,650	10,185,650	4,487,078

Funding for academy trust's education operations in year ended 31 August 2020 totalled £10,185,650 (2019: £4,487,078) of which £Nil (2019: £Nil) was unrestricted and £10,185,650 was restricted (2019: £4,487,078).

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The funding received for coronavirus exceptional support covers £51,300 of free school meal voucher costs. These costs are included in note 7.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Trip income	-	39,490	39,490	27,555
Catering income	-	123,042	123,042	69,525
Letting and other income	211,428	-	211,428	92,666
	<u>211,428</u>	<u>162,532</u>	<u>373,960</u>	<u>189,746</u>

The income from other trading activities was £373,960 (2019: £189,746), of which £211,428 was unrestricted (2019: £92,666) and £162,532 was restricted (2019: £97,080).

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Short term deposits	591	-	591	173
	<u>591</u>	<u>-</u>	<u>591</u>	<u>173</u>

Investment income in year ended 31 August 2020 totalled £591 (2019: £173), of which £591 (2019: £173) related to unrestricted funds and £Nil related to restricted funds (2019: £Nil).

7 Expenditure

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2020 £	Total 2019 £
Academy's educational operations					
- Direct costs	7,589,142	-	198,506	7,787,648	3,356,078
- Allocated support costs	1,883,710	1,290,310	860,836	4,034,856	1,850,736
	<u>9,472,852</u>	<u>1,290,310</u>	<u>1,059,342</u>	<u>11,822,504</u>	<u>5,206,814</u>

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	19,800	13,800
- Other services	5,340	2,000
Depreciation of tangible fixed assets	491,469	485,098
	<u>516,609</u>	<u>100,898</u>

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	-	7,787,648	7,787,648	3,356,078
Support costs				
Educational operations	88,272	3,946,584	4,034,856	1,850,736
	<u>88,272</u>	<u>11,734,232</u>	<u>11,822,504</u>	<u>5,206,814</u>
			2020	2019
			£	£
Analysis of support costs				
Support staff costs			1,883,710	821,789
Depreciation			491,469	485,098
Premises costs			798,841	298,169
Legal costs			146,056	162,768
Other support costs			705,532	79,888
Governance costs			9,248	3,024
			<u>4,034,856</u>	<u>1,850,736</u>

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

Staff costs

Staff costs during the Year were:

	2020 £	2019 £
Wages and salaries	6,418,634	2,868,300
Social security costs	575,835	246,792
Pension costs	2,073,376	737,793
Staff costs - employees	9,067,845	3,852,885
Agency staff costs	353,341	161,234
Staff restructuring costs	15,000	-
Staff development and other staff costs	9,436,186	4,014,119
Total staff expenditure	9,472,852	4,028,903
Staff restructuring costs comprise:		
Severance payments	15,000	-

Staff numbers

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

	2020 Number	2019 Number
Teachers	197	198
Administration and support	115	131
Management	13	9
	325	338

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

9 Staff

(Continued)

Higher paid staff

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

	2020 Number	2019 Number
£60,000 - £70,000	5	-
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
£90,001 - £100,000	2	-
	<u> </u>	<u> </u>

Due to the schools within the trust converting between 1 March 2019 and 1 April 2019, no employee benefits exceeded £60,000.

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 £768,474 (2019: £322,743).

10 Central services

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

- human resources;
- financial services;
- payroll services;
- school improvement services; and
- governance.

The academy trust charges for these services are based on a percentage of 5% (2019: 5%) of the basic entitlement age weighted pupil unit (AWPU) and the lump sum.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Central services

(Continued)

The amounts charged during the Year were as follows:

	2020	2019
	£	£
Asterdale Primary School	36,965	18,050
Beaufort Community Primary School	50,307	21,678
Borrow Wood Primary School	58,795	29,471
Springfield Primary School	43,339	21,848
Portway Junior School	54,061	22,599
Cherry Tree Hill Primary School	88,782	36,473
Odyssey Collaborative Trust	-	-
	<u>332,249</u>	<u>150,119</u>

11 Trustees' remuneration and expenses

There are no staff trustees.

12 Insurance for trustees and officers

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

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 September 2019	27,370,000	126,346	124,628	27,620,974
Additions	77,351	34,124	14,223	125,698
	<u>27,447,351</u>	<u>160,470</u>	<u>138,851</u>	<u>27,746,672</u>
At 31 August 2020				
Depreciation				
At 1 September 2019	406,800	48,071	30,227	485,098
Charge for the Year	406,800	44,703	39,966	491,469
	<u>813,600</u>	<u>92,774</u>	<u>70,193</u>	<u>976,567</u>
At 31 August 2020				
Net book value				
At 31 August 2020	26,633,751	67,696	68,658	26,770,105
	<u>26,633,751</u>	<u>67,696</u>	<u>68,658</u>	<u>26,770,105</u>
At 31 August 2019	26,963,200	78,275	94,401	27,135,876
	<u>26,963,200</u>	<u>78,275</u>	<u>94,401</u>	<u>27,135,876</u>

Included in leasehold land and buildings is land at a valuation of £7,030,000 (2019: £7,030,000) which has not been depreciated.

The long leasehold land and buildings occupied by Asterdale Primary School, Beaufort Community Primary School, Borrow Wood Primary School, Cherry Tree Hill Primary School, Portway Junior School and Springfield Primary School were transferred by Derby City Council to Odyssey Collaborative Trust at the date the six schools converted to academy status. The land and buildings are held under the terms of six 125-year lease agreements at nil rental.

14 Debtors

	2020 £	2019 £
Trade debtors	9,783	5,784
VAT recoverable	14,426	166,427
Other debtors	3,622	283,553
Prepayments and accrued income	422,234	348,062
	<u>450,065</u>	<u>803,826</u>

ODYSSEY COLLABORATIVE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2020****15 Creditors: amounts falling due within one year**

	2020	2019
	£	£
Trade creditors	2,899	125,415
Other taxation and social security	136,670	145,333
Other creditors	154,246	134,511
Accruals and deferred income	576,230	304,105
	<u>870,045</u>	<u>709,364</u>

16 Deferred income

	2020	2019
	£	£
Deferred income is included within:		
Creditors due within one year	<u>307,709</u>	<u>289,421</u>
Deferred income at 1 September 2019	289,421	-
Released from previous years	(289,421)	-
Resources deferred in the Year	<u>307,709</u>	<u>289,421</u>
Deferred income at 31 August 2020	<u>307,709</u>	<u>289,421</u>

At the balance sheet date, the academy trust was holding funds of £307,709 (2019: £289,421) received in advance for educational funding relating to the upcoming financial year. The deferred income provision includes Universal Infant Free School Meals grant, Key Stage 1 funding and SEN funding.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	7,625,210	(7,772,791)	147,581	-
Other DfE / ESFA grants	-	1,549,703	(1,549,703)	-	-
Other government grants	-	1,010,737	(1,010,737)	-	-
Other restricted funds	-	162,532	(162,532)	-	-
Pension reserve	(4,459,000)	-	(747,000)	19,000	(5,187,000)
	<u>(4,459,000)</u>	<u>10,348,182</u>	<u>(11,242,763)</u>	<u>166,581</u>	<u>(5,187,000)</u>
Restricted fixed asset funds					
Inherited on conversion	27,135,876	-	(365,771)	-	26,770,105
DfE group capital grants	-	76,665	(125,698)	49,033	-
	<u>27,135,876</u>	<u>76,665</u>	<u>(491,469)</u>	<u>49,033</u>	<u>26,770,105</u>
Total restricted funds	<u>22,676,876</u>	<u>10,424,847</u>	<u>(11,734,232)</u>	<u>215,614</u>	<u>21,583,105</u>
Unrestricted funds					
General funds	826,766	222,300	(88,272)	(196,614)	764,180
	<u>826,766</u>	<u>222,300</u>	<u>(88,272)</u>	<u>(196,614)</u>	<u>764,180</u>
Total funds	<u>23,503,642</u>	<u>10,647,147</u>	<u>(11,822,504)</u>	<u>19,000</u>	<u>22,347,285</u>

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

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 Education and Skills Funding Agency / Department for Education where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise of all other restricted funds received and include grants from the Education and Skills Funding Agency / Department for Education.

The deficit on the GAG fund in the year ended 31 August 2020 was cleared by a transfer of £196,614 from unrestricted fund.

The pension reserve held within restricted funds was in deficit by £5,187,000 at 31 August 2020 (2019: £4,459,000). This does not mean an immediate liability for this amount crystallises. The deficit position will result in a cash flow effect for the academy trust in the form of employer's pension contributions assessed by the actuary.

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 2020.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

	Balance at 26 November 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds.					
General Annual Grant (GAG)	-	3,377,828	(3,445,386)	67,558	-
Start up grants	-	245,000	(245,000)	-	-
Other DfE / ESFA grants	-	508,198	(508,198)	-	-
Other government grants	-	356,052	(356,052)	-	-
Other restricted funds	-	97,080	(97,080)	-	-
Pension reserve	-	(3,094,000)	(70,000)	(1,295,000)	(4,459,000)
	-	1,490,158	(4,721,716)	(1,227,442)	(4,459,000)
Restricted fixed asset funds					
Transfer on conversion	-	27,561,204	(485,098)	59,770	27,135,876
DfE group capital grants	-	20,115	-	(20,115)	-
	-	27,581,319	(485,098)	39,655	27,135,876
Total restricted funds	-	29,071,477	(5,206,814)	(1,187,787)	22,676,876
Unrestricted funds					
General funds	-	933,979	-	(107,213)	826,766
Total funds	-	30,005,456	(5,206,814)	(1,295,000)	23,503,642

ODYSSEY COLLABORATIVE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 AUGUST 2020****17 Funds****(Continued)****Total funds analysis by academy**

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Asterdale Primary School	168,441	151,019
Beaufort Community Primary School	94,894	209,648
Borrow Wood Primary School	117,742	108,107
Springfield Primary School	267,863	184,281
Portway Junior School	(13,097)	28,424
Cherry Tree Hill Primary School	60,248	59,162
Odyssey Collaborative Trust	68,089	86,125
	<u>764,180</u>	<u>826,766</u>
Total before fixed assets fund and pension reserve		
	764,180	826,766
Restricted fixed asset fund	26,770,105	27,135,876
Pension reserve	(5,187,000)	(4,459,000)
	<u>22,347,285</u>	<u>23,503,642</u>
Total funds		
	<u>22,347,285</u>	<u>23,503,642</u>

Five of the six schools meet the reserves policy of 5% to 8% of GAG. Portway Juniors School has a deficit of £13,097 and does not meet the reserves policy criteria in the year ended 31 August 2020. The deficit arose as capital work planned for 20/21 was brought forward to ensure the school was Covid Safe. The position will be corrected in 20/21 when the expense was budgeted for.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020
	£	£	£	£	£
Asterdale Primary School	784,535	204,816	6,024	202,730	1,198,105
Beaufort Community Primary School	1,389,653	167,143	45,549	403,973	2,006,318
Borrow Wood Primary School	1,055,488	211,697	11,644	299,793	1,578,622
Springfield Primary School	1,370,778	146,161	53,088	285,676	1,855,703
Portway Junior School	1,020,797	101,889	54,774	349,516	1,526,976
Cherry Tree Hill Primary School	1,830,904	311,812	27,086	497,317	2,667,119
Odyssey Collaborative Trust	136,986	740,192	341	(47,079)	830,440
	<u>7,589,141</u>	<u>1,883,710</u>	<u>198,506</u>	<u>1,991,926</u>	<u>11,663,284</u>

Total cost analysis by academy- prior year

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£	£	£	£	£
Asterdale Primary School	366,421	111,649	17,413	61,647	557,130
Beaufort Community Primary School	551,980	49,897	17,367	129,348	748,592
Borrow Wood Primary School	506,116	123,553	19,237	103,390	752,296
Springfield Primary School	638,902	76,781	38,579	120,376	874,638
Portway Junior School	386,789	36,962	23,293	112,654	559,698
Cherry Tree Hill Primary School	721,096	144,095	31,235	143,543	1,039,969
Odyssey Collaborative Trust	35,810	278,852	1,840	23,010	339,512
	<u>3,207,114</u>	<u>821,789</u>	<u>148,964</u>	<u>693,968</u>	<u>4,871,835</u>

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	26,770,105	26,770,105
Current assets	764,180	870,045	-	1,634,225
Creditors falling due within one year	-	(870,045)	-	(870,045)
Defined benefit pension liability	-	(5,187,000)	-	(5,187,000)
Total net assets	764,180	(5,187,000)	26,770,105	22,347,285

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	27,135,876	27,135,876
Current assets	826,766	709,364	-	1,536,130
Creditors falling due within one year	-	(709,364)	-	(709,364)
Defined benefit pension liability	-	(4,459,000)	-	(4,459,000)
Total net assets	826,766	(4,459,000)	27,135,876	23,503,642

19 Pension and similar obligations

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 Derbyshire County Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £154,246 (2019: £132,986) were payable to the schemes at 31 August 2020 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £894,414 (2019: £271,907).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 21% for employers and 5% to 12.5% for employees.

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

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

Total contributions made	2020	2019
	£	£
Employer's contributions	504,000	230,000
Employees' contributions	144,000	64,000
Total contributions	648,000	294,000

Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	2.9	2.8
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9
Commutation of pensions to lump sums	50%	50%

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

	2020	2019
	Years	Years
Retiring today		
- Males	21.6	21.9
- Females	23.7	24.4
Retiring in 20 years		
- Males	22.6	23.9
- Females	25.1	26.5

Scheme liabilities would have been affected by changes in assumptions as follows:

	2020	2019
	£'000	£'000
0.5% decrease in Real Discount Rate	1,294	1,127
0.5% increase in the Salary Increase Rate	131	136
0.5% increase in the Pension Increase Rate (CPI)	1,139	970

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

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

	2020	2019
	Fair value	Fair value
	£	£
Equities	2,625,000	2,287,000
Bonds	974,000	900,000
Property	339,000	300,000
Other assets	296,000	262,000
	<u>4,234,000</u>	<u>3,749,000</u>
Total market value of assets	<u>4,234,000</u>	<u>3,749,000</u>

The actual return on scheme assets was £(120,000) (2019: £280,000)

Amount recognised in the Statement of Financial Activities

	2020	2019
	£	£
Current service cost	1,160,000	402,000
Past service cost	-	57,000
Interest income	(77,000)	(239,000)
Interest cost	168,000	80,000
	<u>1,251,000</u>	<u>300,000</u>
Total operating charge	<u>1,251,000</u>	<u>300,000</u>

Changes in the present value of defined benefit obligations

	2020	2019
	£	£
At 1 September 2019	8,208,000	-
Obligations acquired on conversion	-	6,269,000
Current service cost	1,160,000	402,000
Interest cost	168,000	80,000
Employee contributions	144,000	64,000
Actuarial (gain)/loss	(216,000)	1,336,000
Benefits paid	(43,000)	-
Past service cost	-	57,000
	<u>9,421,000</u>	<u>8,208,000</u>
At 31 August 2020	<u>9,421,000</u>	<u>8,208,000</u>

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	2020	2019
	£	£
At 1 September 2019	3,749,000	-
Assets acquired on conversion	-	3,175,000
Interest income	77,000	239,000
Actuarial loss/(gain)	(197,000)	41,000
Employer contributions	504,000	230,000
Employee contributions	144,000	64,000
Benefits paid	(43,000)	-
At 31 August 2020	4,234,000	3,749,000

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

	2020	2019
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(1,175,357)	24,798,642
Adjusted for:		
Net surplus on conversion to academy	-	(25,290,972)
Capital grants from DfE and other capital income	(76,665)	(20,115)
Investment income receivable	(591)	(173)
Defined benefit pension costs less contributions payable	656,000	229,000
Defined benefit pension scheme finance cost/(income)	91,000	(159,000)
Depreciation of tangible fixed assets	491,469	485,098
Decrease/(increase) in debtors	353,761	(803,826)
Increase in creditors	160,681	709,364
Net cash provided by/(used in) operating activities	500,298	(51,982)

21 Analysis of changes in net funds

	1 September 2019	Cash flows	31 August 2020
	£	£	£
Cash	732,304	451,856	1,184,160

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Commitments under operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	1,914	1,914
Amounts due in two and five years	1,914	3,828
	<u>3,828</u>	<u>5,742</u>

23 Capital commitments

	2020 £	2019 £
Expenditure contracted for but not provided in the accounts	2,899,818	-

24 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 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. There were no related party transactions in the current year nor the prior period of account.

25 Post balance sheet events

In April 2021 Oakwood Junior School will join Odyssey Collaborative Trust.

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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

ODYSSEY COLLABORATIVE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Agency arrangements

There was an agency arrangement entered into in the current year with the Primary Education Improvement Partnership (PEIP) 24 group. The PEIP have been in Derby for several years and focus on school improvement. Mr M Seller is one of the training providers for the PEIP group through his company, Mick Seller Education Ltd. The trust received income in the year end 31 August 2020 of £18,944 (2019: £Nil) and expenditure of £17,248 (2019: £Nil). Included within debtors was a balance due of £5,219 (2019: £Nil) and within creditors there was a balance due of £3,375 (2019: £Nil).

Following the year end discussions have taken place with regard to this arrangement. The board have resolved that this will cease as soon as is practical and certainly before the end of the next financial year.