

Abbey Multi Academy Trust

Registered number: 07705552

**Trustees' Report and Financial Statements
for the year ended
31 August 2021**



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Reference and Administrative Details

Members

R Noake
A Nicholl
The Rt Revd P Slater

Academy Trustees

F Baker
C R Blair (resigned 6 December 2020)
C Garrett (Acting Co-CEO - from 1 January 2019; appointed Co-CEO from 6 December 2019)
P Laurence
T Mason
K Morawiecka-Watkins
H Pratten (Acting Co-CEO and Accounting Officer - from 1 January 2019; appointed Co-CEO and Accounting Officer from 6 December 2019)
G Price
W Rachmann
S Simkins
P Turner (appointed 25 March 2021)
P Whitman

Company Secretary

K Weatherill

Senior Management Team

Co-CEO/Executive Principal (Primary)
Co-CEO/Director of Education
Executive Principal (Secondary)
Principal – Abbey Grange C of E Academy
Head of School – St Chad's C of E Primary Academy
Interim Head of School – St Chad's C of E Primary Academy
Head of School – Lightcliffe Academy
Head of School – Bishop Young C of E Academy
Headteacher – Manston St James Primary Academy
Interim Co-Heads of School – Manston St James Primary Academy
Principal – Holy Trinity C of E Primary Academy
Head of School – Lightcliffe C of E Primary School
Head of School – Christ Church Upper Armley CE Primary School
Director of Finance

H Pratten (from 6 December 2019)
C Garrett (from 6 December 2019)
P Cooper (from 4 February 2021)
S Prinsep (from 1 September 2021)
A McHale (to 30 September 2021)
P Michaud (from 1 September 2021)

R Wood-Ives (from 4 February 2021)
R Cole (from 4 February 2021)
A Dunn (to 31 August 2021)
E Caygill-Boothroyd & H Owen (from 1 September 2021)
G Marsland (from 1 September 2020)
G Hilton (from 1 September 2020)
S Collier (from 1 September 2019)

Y Watterson-Hopkins (from 1 September 2020)

Reference and Administrative Details (continued)

Company Name	Abbey Multi Academy Trust
Principal and Registered Office	c/o Chapter House Abbey Grange Academy Butcher Hill Leeds LS16 5EA
Company Registration Number	07705552 (England and Wales)
External Auditor	Mazars LLP 5 th Floor 3 Wellington Place Leeds LS1 4AP
Internal Auditor	RSM Risk Assurance Services LLP Fifth Floor, Central Square 29 Wellington Street Leeds LS1 4DL
Bankers	Lloyds Bank plc 65-68 Briggate Leeds LS1 6LH
Solicitors	Stone King LLP 1 Park Row Leeds LS1 5HN

Trustees' Report

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

In September 2020, the Trust operated 5 primary and 3 secondary academies in West Yorkshire. Its academies at 7 October 2021 have a combined pupil census of 4,708.

Structure, Governance and Management

Constitution

The 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 Trust. The Trustees of Abbey Multi Academy Trust (the Trust) are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Abbey Multi Academy Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

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 £10.00 for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

The Trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on Trust business; further details are provided in note 11.

Method of Recruitment and Appointment or Election of Trustees

The Articles of Association require the appointment of at least five Trustees.

The Trust Board is comprised of two Co-Chief Executive Officers and other Trustees from a range of professional and faith backgrounds. They are appointed by Members according to their skillset, experience and ability to contribute to the strategic leadership of the Trust.

Trustees' Report (continued)

Structure, Governance and Management (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

Bespoke training and induction are provided for new Governors and Trustees depending on their previous experience. Where necessary, induction and training is provided on charity, educational, legal and financial matters. All new Governors and Trustees are given a tour of the Trust site and the chance to meet with staff and students. They are provided with access to policies, procedures, minutes, accounts, budgets, strategic and development plans, in addition to other documents that they need to undertake their role. Governors and Trustees are provided with training and are encouraged to access external training on appropriate matters.

Organisational Structure

The Trustees are responsible for setting the strategic direction of the Trust. They review and agree the Company's policies and procedures and are responsible for the major decisions of the Trust.

The Trustees meet at least six times in each financial year.

The Trustees have delegated a number of their functions to the Board of Governors (Local Governing Bodies) of Abbey Grange Church of England Academy, St Chad's Church of England Primary School, Lightcliffe Academy, Manston St James Primary Academy, Holy Trinity Church of England Primary Academy and Lightcliffe Church of England Primary School. However, Bishop Young Church of England Academy and Christ Church Upper Armley Church of England Primary Academy do not have these delegated functions as they operate with an Advisory Board, rather than a formal Governing Body.

Arrangements for setting pay and remuneration of key management personnel

Following a selection and recruitment process in December 2019, Trustees appointed Co-CEOs to lead the organisation. The Trust commissioned an independent consultant to provide a benchmark against MATs of a similar size and context when setting the pay scale for the Co-CEOs. Trustees were presented with a range of options and agreed a range to reflect the responsibilities of each post holder. Each post holder retains an element of their substantive position alongside their Co-CEO role and this was taken into account in the recommendations given by the independent consultant.

Performance management of the Trust Co-CEOs was conducted by the Chair of the Trust Board and supported by the Trustees at regular intervals during the course of the year. An external advisor was also appointed to support the performance management process of the Co-CEOs.

The appraisal process for Senior Leaders and Central Executive Team is aligned to that for all other members of the Trust in that a performance review meeting is held at which objectives are reviewed against a range of evidence. Recommendations are then made by the CEO to the Trust's Pay Committee which reviews anonymised documentation to ensure that pay progression is consistent and equitable.

Trustees' Report (continued)

Structure, Governance and Management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	4.1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1-50%	5
51-99%	0
100%	0

Percentage of pay bill spent on facility time

The total cost of facility time	£2,883
The total pay bill	£24,301,504
The percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.1% (1.4%)

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	100%
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Related Parties and other Connected Charities and Organisations

There are no connected organisations. Related party transactions are disclosed in note 28 which are the Diocese of Leeds and Leeds Faith in Schools.

Engagement with Stakeholders

The Abbey MAT Trust Board considers it crucial that the Trust maintains a reputation for high standards. The Board is responsible for setting, monitoring and upholding the culture, values, standards and reputation of the organisation to ensure that our obligations to our employees, students, parents and wider stakeholders are met. Management drives the embedding of the desired culture throughout the organisation. The Trust Board monitors adherence to policies and compliance with all statutory guidance and is committed to ensuring effective action is taken when any of our academies fall short of the expectations required.

Trustees' Report (continued)

Structure, Governance and Management (continued)

Abbey MAT Board's vision is to develop a high performing Multi Academy Trust that delivers the best educational experience for pupils from 3 - 19. The Trust's Five-Year Strategic Plan launched in October 2019 sets out how we will grow, develop, support and improve our academies across the wide and diverse geographical area of the Leeds Diocese, with a clear focus on raising standards, encouraging innovation and strengthening the ethos of the organisation to ensure that we have a positive impact on all the young people within the Trust.

Our Trust vision – to work in partnership, to educate, nurture and empower - has been shaped through the identification of a number of key thoughts and assumptions that build a framework within which Abbey MAT operates. As a Diocesan Multi Academy Trust we are committed to working within a caring and Christian ethos.

Our vision is that the academies, supported through Abbey MAT, will provide an environment which is welcoming, caring, calm, disciplined, and purposeful and which will stretch our young people academically, support them pastorally and help them develop socially and spiritually.

We are committed to raising the skills base across the communities by ensuring a focus on quality, encouraging innovation through research and strengthening the ethos of the academies as distinctive schools within their respective communities. Our framework strives to maintain academies which retain their own independent culture and ethos, whilst operating within a strategic partnership to improve quality, share best practice and operate effectively and efficiently. As a successful Multi Academy Trust we work in partnership to bring about an environment and culture where, through school to school support, each academy will flourish and be involved in shaping the partnership.

Engagement with Employees

The Trust's Five-Year Strategic Plan was launched in October 2019 and to ensure all employees were aware of the organisations aims and objectives, the plan was shared with all members of staff. Additionally, the strategic objectives were woven into academy development plans and employee appraisal objectives to demonstrate the interconnectivity that exists across the organisation.

Additionally, the Trust Key Performance Indicators include metrics relating to recruitment, employee value proposition, talent and succession management, health and wellbeing and staff absence rates. Annual evaluation against the KPI's allows year-on-year comparisons to be made and the Trust's performance to be articulated to employees.

During the year the Trust either introduced or continued with the following areas as a focus of employee engagement:

Trustees' Report (continued)

Structure, Governance and Management (continued)

Engagement with Employees (continued)

- The Trust has a well-developed Joint Collaborative Negotiation Committee (JCNC) through which it engages with Trade Union colleagues to discuss and understand matters concerning employees e.g. policy consultation.
- The Trust ensures that feedback is sought from employees and annual staff surveys are distributed and the outcomes feed into the Trust and academy development plans.
- The Trust participated in the Edurio Equality, Diversity and Inclusion survey with all employees being asked to complete the survey. Results from the survey were feedback to staff and plans were put in place to address areas for improvement.
- The Trust ensures that all recruitment is conducted in line with the Equality Act 2010. Reasonable adjustments/and or supportive measures will be considered where a known disability exists to allow equality of access and opportunity. In addition, all applicants who consider themselves disabled and who meet the essential criteria of the person specification will be granted an interview.
- The Trust ensures that all employees who exit employment are offered the opportunity to participate in an exit interview. The information gleaned through this process is used to assess the overall employee experience within the organisation and identify opportunities to improve retention and engagement. The interviews also help foster positive relationships and a welcoming working environment.
- During the Covid-19 pandemic the Trust has consulted with employees on a number of occasions. This includes consultation in relation to the Trust's Covid-19 risk assessments, staff wellbeing surveys to identify and address concerns relating to Covid-19 in preparation for the wider reopening of schools and questionnaires to determine which employees fell within the high risk vulnerable groups. The latter ensured that Covid-19 specific Wellbeing Action Support Plans were put in place as necessary. Additionally, employees were provided with information relating to mental health and wellbeing to ensure that support was offered in coping with all aspects of lockdown. The Trust invested in Mental Health First Aid training to ensure all employees have access to a Mental Health First Aider. The Trust recognises the ongoing impact of the pandemic on the mental health and wellbeing of all employees and remains committed to providing necessary support as required.

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

There has always been significant engagement with parents to gather their views on the educational provision within each academy and to address any queries and concerns they have. Due to the exceptional circumstances this year, there has been an increased level of communications with parents pertaining to Covid-19, these include plans and guidance on the wider and full re-opening of academies, information regarding remote learning, use of face coverings and protocols for GCSE and A-Level results days. The Co-CEOs, along with academy principals, have communicated with parents throughout the pandemic to ensure that they remain connected with the Trust and its academies.

Suppliers

The Trust continues to promote its procurement strategy which is focused on reviewing procurement practices and supplier relationships to encourage a more sustainable and fair way of working across the Trust.

One of these principals is that we will endeavour to source locally with small suppliers where possible to support the local community and therefore the stakeholders.

Trustees' Report (continued)

Structure, Governance and Management (continued)

In addition to this, the Trust aims to be transparent and fair in our procurement process and observe EU and national legislation. In order to demonstrate high standards and probity and be able to respond to enquiries and complaints the Trust ensures that all procurement processes are documented and that procurement decisions are always evidence based.

Throughout the Covid-19 pandemic the Trust has worked with suppliers under the Government's PPN02/2 guidelines.

Objectives and Activities

Aims and strategies

The Trust's objective is set out in its Articles of Association. In summary, it is to establish, maintain, manage and develop a Multi Academy Trust with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England.

In accordance with the Articles of Association, the Trust has adopted a 'Funding Agreement' approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis of admitting students to the academies.

Public Benefit

In setting the Trust's objectives and planning its activities, the Trustees have given careful consideration to and have complied with the Charities Act 2011 and the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education.

Serving the Local Community and Society

The Trust plays a significant part in the local and wider community and, where possible in support of our charitable objectives, we seek to develop strong partnerships with new and existing organisations to benefit the local community.

The Trust's sites continue to play a critical role in the development of community focused service delivery programmes. The Trust and its partners strongly believe good progress has been made to increase social responsibility, cohesion and healthy living within the community; however, the impact is very modest when compared to the significant obstacles faced by many in the community.

Our partners in delivering this change are:

- The Diocese of Leeds
- Leeds City Council
- Calderdale Council
- The citizens of Leeds and Calderdale

In addition to the community-focused services developed by the Trust and its partners, local clubs and groups continue to make use of the facilities provided by the Trust.

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Abbey MAT Board's vision is to develop a high performing Multi Academy Trust that delivers the best educational experience for pupils from 3 - 19. This document sets out how we will grow, develop, support and improve our Academies across the wide and diverse geographical area of the Leeds Diocese, with a clear focus on raising standards, encouraging innovation and strengthening the ethos of the Trust to ensure that we have a positive impact on all the young people within the Trust.

Our vision is that the Academies, supported by the Trust, will provide an environment which is welcoming, caring, calm, disciplined and purposeful and which will stretch our young people academically, support them pastorally and help them develop socially and spiritually.

We recognise the power of partnership working and seek to share and receive good practice with and from other organisations to ensure that all our students experience high quality education that enables them to achieve their full potential.

The Trust has a well-developed and comprehensive portfolio of School Improvement Services. This function is led by the Director of Education who is well placed to lead a team of Specialist Leaders, Strategic Leaders and Lead Practitioners. They focus on continuing professional development and school improvement through the development of leadership and improving the provision of teaching and learning. Lead Practitioners also supplement the primary team in both maths and English as well as Teaching & Learning.

School Improvement areas are identified with Principals through each academy's own question and answer processes and the reviews led by the Director of Education and the Primary Executive Principal to create accurate self-evaluation for each academy. Research and shared understanding of it is used to develop effective evidence-based strategies, which will drive improvement, accelerate progress and diminish the difference in standards. The team of Lead Practitioners can be deployed directly into classrooms to work alongside teachers as well as leading professional development in training sessions.

Going Concern

After making appropriate enquiries, the board of Trustees have a reasonable expectation that Abbey Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. In making this judgement the Trustees have considered the future plans of the Trust. In addition, the Trustees have considered the potential impact of Covid-19 and the uncertainty that this creates. The reserves of the Trust are sufficient to withstand this over the going concern period. For these reasons, the board 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.

Trustees' Report (continued)

Promoting the success of the company

The Trust Board of Abbey Multi Academy Trust ensure that all decisions are carefully considered taking into account the long-term impact on the organisation as a whole. This is achieved through the robust risk management process. The Trust has embedded risk management into its existing processes and procedures ensuring that risks are explicitly considered. In particular, this will be in the following key activities:

- Strategic planning
- Preparation of development plans
- Preparation of 3-year financial plans including
- Programme approvals
- Standard agenda items at SLT, ELG, LGB and all Trust meetings
- Capital project proposals
- Ofsted reports
- Academy performance reviews

In addition, the Trust ensures that risk management is included in its staff development programme.

The Trust ensures that success is celebrated both internally and externally through regular newsletters, briefings and social media campaigns. Additionally, the Trust uses the annual staff and governor conferences as an opportunity to celebrate the success of the organisation.

Financial Review

Most of the Trust's income is derived from the Department for Education (DfE) via the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from these parties during the period 1 September 2020 to 31 August 2021 and the associated expenditure against these grants are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice "Accounting & Reporting by Charities (SORP FRS102)", such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2021, total revenue income was £29.7 million, offset by revenue expenditure of £29.4 million. The excess of income over expenditure for the period was therefore £0.3 million.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives.

Operational expenditure decreased over the same period by £1.3 million to £31.2 million due to the increased central procurement and cost efficiencies made in the year.

At 31 August 2021, the net book value of fixed assets stood at £53.5 million, with details of movements in the fund shown at note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Trust.

Trustees' Report (continued)

Financial Review (continued)

During the period the Trust spent £680,864 on fixed assets with the significant capital projects being Roof and window replacement at Lightcliffe Academy, fire alarm and panel replacement across the Trust, annual ICT replacement and phased energy efficiency capital spend. In addition to this the Trust secured a £5 million Salix decarbonisation grant to reduce carbon omissions in line with the sustainability strategy, of which there was £4.1 million of associated capital spend in year.

The provisions of the Financial Reporting Standard No 102 'Accounting for Pension Costs' have been applied in full with significant changes noted below:

- The roll forward approach has been applied to calculate pension scheme assets and liabilities by adjusting the results of the last full actuarial valuation exercise.
- Asset returns over the accounting period have been higher than expected. This has led to a gain on assets over the accounting period of £4 million and an improvement in the balance sheet position.
- Changes to financial assumptions have included an increase in CPI inflation of 0.30% and the salary increase assumption has increased by 0.30%. This has resulted in a less positive balance sheet position of (£2,750) and can be seen on Other Comprehensive Income.
- Accounting for national scheme changes: GMP equalisation and indexation and the McCloud Judgement included in yearend 31 August 2020.

The Trust held fund balances at 31 August 2021 of £42.5 million (2020: £36.5 million), comprising the following:

	2021	2020
	£000	£000
Restricted income fund	(1)	(1,763)
Restricted pension reserves	(15,426)	(15,022)
Restricted fixed asset reserves	55,909	51,733
Unrestricted income fund	2,044	1,551

The Abbey Multi Academy Trust is working with Holy Trinity Primary Academy to address their historical deficit position.

Trustees' Report (continued)

Principal Risks & Uncertainties

The Trust has in place sound risk management and assurance processes. Trustees believe that an effective risk management strategy is a matter of good organisational practice, lying at the heart of good management and effective governance. The principal risks and uncertainties are centred around changes in the level of funding from the DfE/ESFA, student numbers across the Trust and the requirement to deliver surplus budgets in order to increase levels of reserves. In addition, the Trust is a member of the West Yorkshire Local Government Pension Scheme (LGPS) which results in the recognition of a significant deficit on the Trust's balance sheet.

The Trustees continue to acknowledge that they live in ever uncertain times which have heightened their awareness of risk throughout the Trust and they have spent some time discussing the risks and their approach to dealing with that risk. Consequently, the Trustees believe that they are developing a robust and rigorous approach to the management of risk which will stand the Trust in good stead as it develops over the coming years. The major risks facing the Trust are deemed to be as follows:

The significant external risk during 2020-2021 was in relation to Covid-19 and the impact of school closures across the Trust on both the teaching and learning and the financial position of the Trust. Trustees were assured throughout the period that Trust leadership were focused on keeping children and staff safe whilst continuing to provide remote based or on-site education depending on national and local guidance and local circumstances, and have received regular updates on the financial impact through the Trust monthly management accounts.

- Changes in Government legislation, particularly with regard to the funding formula, the national curriculum and external public examinations;
Factors which could impact on the school's strategic and reputational objectives, which could impact on the school's reputation, leading to a reduction in student numbers, and therefore funding; and Failure to recruit Governors with the correct profile.
Continued impact of the Covid-19 pandemic on private income sources across the Trust. During the year the following services were impacted due to school closures, reduced cohorts and lockdown guidelines: In house catering functions at the secondary academies, lettings and out of hours and nursery provisions at primary academies. Regular reviews of the individual academy trading accounts are undertaken with academies to try and minimise the impact. Due to the financial position of the Trust, the decision was taken to furlough some staff in year to support in reducing deficit outturns.
- There has been a significant increase to budget in supply costs across the Trust due to staffing shortages in relation to Covid-19. The Trust leadership team has continued to support academies to try and manage staff absence where possible and has invested in staff mental health and wellbeing through both CPD opportunities and external counselling services.
- The financial risk associated with academies not running at capacity has been impacted by delays in achieving improved Ofsted judgements, due to school closures and reduced Ofsted visits taking place due to coronavirus restrictions. The potential impact from this is that some academies will continue to remain undersubscribed impacting on future funding. Academies have been further impacted by having to run open evenings/days virtually which may have a negative impact on 2021-22 admission. The Trust leadership team has continued to support academies through marketing and virtual opening evenings through the Trust Digital Services team.

Trustees' Report (continued)

Principal Risks & Uncertainties (continued)

- The impact of Covid-19 on staff and pupil mental and health and wellbeing has been considered throughout the pandemic and considered to be high risk. Employees have been provided with information relating to mental health and wellbeing to ensure that support was offered in coping with all aspects of lockdown and wider school opening. Additionally, the Trust invested in Mental Health First Aid training to ensure all employees have access to a Mental Health First Aider.

In addition to the above, the Trust has the following risks rated as high within the risk register:

- Due to the cancellation of statutory examinations and the removal of performance data for 2020 and 2021, outcomes at Bishop Young do not show the improvements to attainment and progress that have occurred.
 - o An academy development plan is in place, at Bishop Young, alongside a pupil premium and recovery funding plan to utilise the additional funding being received to ensure gaps to learning are narrowed. In addition to this, monitoring activities are in place which demonstrate that teaching and learning continues to improve. Had GCSE's taken place in summer 2021 it was anticipated that results would have shown further improvement.
- Due to the cancellation of statutory examinations and the removal of performance data for 2020 and 2021, educational outcomes at Lightcliffe Academy do not show the improvement made. There is the potential for future outcomes to be adversely impacted as a result of the continued disruption to education through school closures, self-isolation and local and national restrictions being imposed. The academy has failed to reach its pupil admission number in Year 7, for September 2021, and the loss of income is a threat to the academy's financial viability.
- Lightcliffe Academy was awarded a 'minded to terminate' letter by the DfE following the Ofsted inspection in Nov 2018 at which the school was deemed to be in special measures. Three subsequent monitoring visits have evidenced that leadership are taking effective action to remove special measures.
 - o A post-Ofsted action plan is in place, at Lightcliffe Academy, alongside a pupil premium and recovery plan to utilise the additional funding being received to ensure gaps to learning are narrowed. In addition to this, monitoring activities are in place which demonstrate that the quality of education continues to improve.
- Recruitment risk due to difficulty in appointing to some support roles.
 - o The Trust continues to engage with employees through employee feedback surveys, policy consultation, trade union engagement, reasonable adjustments and / or supportive measures for known disabilities and exit interviews from staff leaving to review employee experience.

Through the risk management processes established at Abbey Multi Academy Trust, the Trust Board is satisfied that the major risks have been adequately mitigated where necessary. It is recognised that systems and procedures can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Trustees' Report (continued)

Principal Risks & Uncertainties (continued)

The main processes and controls used by Abbey Multi Academy Trust are:

- Formal agendas for all Trust Board and Local Governing Body meetings;
- Written scheme of delegation;
- Comprehensive strategic planning, budgeting and management accounting;
- Established organisational structure and lines of reporting;
- Formal written policies;
- Clear authorisation and approval levels;
- Implementation of vetting and clearance procedures as required by law for the safe-guarding of children and young people; and
- Engagement of external auditors to examine the accounts and financial practices of the Trust

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trust's current level of free reserves (total funds excluding the amount held in fixed asset, restricted and pension reserve funds) is in a surplus position £2 million. Trustees plan to increase the level of reserves in the short term to cover one month's revenue expenditure which would amount to £2.5 million which would enable the Trust to cover any unexpected costs such as staff sickness.

The long term target is 2 months of working capital which would amount to £5 million. Trustees accept that this is a long term goal which will be challenging to achieve in the current challenging financial climate.

Fundraising

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

Trustees' Report (continued)

Streamlined Energy and Carbon Reporting (SECR)

Abbey Multi Academy Trust is developing an Environmental Strategy which aims to reduce the Trust's carbon footprint and to work towards becoming a single-use plastic-free organisation by 2023.

The Trust has committed itself and its resources to becoming a more sustainable and energy efficient organisation. We will look to collaborate with stakeholders across the Trust as part of this process.

During the year we have undertaken a number of initiatives to move towards greater sustainability including:

- Invested over £0.5m in capital works including new UPVC windows, LED lighting, and building fabric improvements,
- The catering department has continued to use biodegradable packaging at all of its in house catering sites to reduce down on single use plastic and is putting in strategies to reduce food waste for both environmental and economic purposes.
- We have continued to work with food waste social enterprises in some of the academies to reduce waste and educate learners on the importance of healthy and sustainable eating

In the upcoming year we will build upon this with the following initiatives:

- Continue to invest in capital works using School Condition Allocation to invest in energy efficiency measures
- The catering provisions practices with regards to packaging and waste.
- Investigating further Trust-wide partnerships particularly in relation to food waste social enterprise.
- Involving students, guardians and employees in the shaping of the vision and strategy
- Enhancing our outdoor spaces
- Promoting active travel, and
- Integrating sustainability into all procurement decisions in line with our procurement strategy

Trustees' Report (continued)

Streamlined Energy and Carbon Reporting (SECR) (continued)

Our Streamlined Energy and Carbon Reporting Data is shown here:

UK Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021	2020/21	2019/20
Annual UK Energy Use (KWh)	6,860,723	6,783,486
Associated Greenhouse Gas Emissions (CO ₂ e)	1,368	1,356
Gross emissions in metric tonnes CO ₂ e per pupil	0.28	0.27
Scope 1		
Gas Consumption	866	845
Owned Transport	0.31	6
Total Scope 1	866	851
Scope 2		
Purchased Electricity	498	489
Scope 3		
Business travel in employee owned vehicles	4	17

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 Governments 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.

Trustees' Report (continued)

Plans for Future Periods

The key focuses for 2020-21 will continue to be:

Trust Strategic Action Plan

The Abbey MAT Board introduced a 5-year strategic development plan in 2019 with the main focuses being:

- Strategic Planning and Vision
- Performance Data and Outcomes
- Accountability — Roles and Responsibilities
- Governance
- Financial Stability, Business Efficiencies and Effectiveness

The Trust is in its third year of the five-year plan and is on-line to achieve its strategic ambition despite the challenges posed by the pandemic.

Supporting our schools and their communities

Our vision is that the academies, supported through Abbey MAT, will provide an environment which is welcoming, caring, calm, disciplined, and purposeful and which will stretch our young people academically, support them pastorally and help them develop socially and spiritually

- Continue to support schools through the ongoing pandemic.
- Continue with financial recovery by supporting schools in realigning their individual school metrics in line with national averages whilst also taking into consideration the individual needs of students and the communities that the schools are situated within.
- Continued investment in both the ICT infrastructure to support students and staff with continued remote learning and School Conditions projects in line with the Trust 3-5-year capital investment strategy. The focus for 2021-22 will be on teaching and learning and energy efficiency across the Trust in line with the Trust sustainability action plan

Employees

- Continued priority to be an employer of choice within the sector by creating and sustaining an authentic organisational culture, promoting inspirational leadership, communicating effectively with all stakeholders and actively listening to employee voice to make changes based on feedback and getting the basics right to make the organisation a place where people want to be.
- We continue to work with Gorse SCITT to deliver Initial Teacher Training and to develop the next generation of teachers.

Trustees' Report (continued)

Plans for Future Periods (continued)

Expansion

The Abbey MAT Board commits to the expansion of the Trust but recognises the benefit of growing at a controlled rate that continues to support the academies that are already in the Trust. The Trust's growth plan is as follows:

- Sustainable and measured according to a shared commitment to the vision and ethos of the MAT. We recognise the importance of consolidation and will only expand when we have the capacity to do so.
- Planned over a number of years on a 'case by case' basis.
- Responsive to the Diocesan's need to accommodate a growth in academies, both converters and sponsored.
- Balanced, taking on Good and Outstanding schools (to ensure capacity for continued progress and improvement) as well as maintaining our 'moral imperative' to support struggling schools where there is greatest need, providing we have capacity to do so.
- Diverse, serving a range of communities including those with relatively high levels of deprivation.

Any potential growth will not:

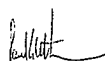
- Do anything that would be detrimental to any young person, staff or school in a neighbouring community
- Put the financial stability or academic reputation of the Trust at further risk

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 22nd December 2021 and signed on the Board's behalf by:



Paul Whitman
Trustee

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Co-CEO/Executive Principal (Primary) as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management in accordance with the requirements and responsibilities assigned to it in the funding agreement between Abbey Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
P G Whitman (Chair)	7	7
G Price (Vice Chair)	7	7
F Baker	7	7
T M Mason	7	7
S Simkins	7	7
P J Laurence	6	7
C R Blair (resigned 06/12/20)	1	1
W Rachmann	6	7
K Morawiecka-Watkins (appointed 20/07/20)	7	7
P Turner (appointed 25/03/21)	7	7
C Garrett (Co-CEO from 6/12/19)	7	7
H Pratten (Co-CEO from 6/12/19)	7	7

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor the financial position of the Trust and its individual academies and recommend appropriate remedial action where necessary; also to ensure that the Trust is managing its wider resources in the most effective manner to facilitate the integration of new academies into the Trust and enhance the fabric of its estates.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
G Price (Chair)	6	6
C R Blair (resigned 6 December 2020)	0	1
F Baker	3	5
W Rachmann	6	6

Governance Statement (continued)

Governance (continued)

The Audit and Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to oversee the development of the Trust's Risk Management Policy and processes, using both internal and external audit functions to give assurance on this and the systems of internal control. External scrutiny assists the Committee to give the Trust Board the assurance it requires.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
S Simkins (Chair)	5	5
F Baker	5	5
G Price	5	5

The Standards Committee is a sub-committee of the main Board of Trustees. Its purpose is to take a strategic overview of curriculum, quality and standards throughout the Trust and ensure that the Trust works to raise standards in teaching and learning and student achievement.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
P Whitman (Chair)	3	3
P Laurence	3	3
P Turner (appointed)	1	1
T Mason	3	3

The Performance Management and Remuneration Committee is a sub-committee of the main Board of Trustees. Its purpose is to provide strategic oversight in the development of the Trust's pay and appraisal policies and processes, and to ensure that the Trust operates in accordance with the statutory appraisal regulations and its own appraisal policy. It is also responsible for moderating pay decisions across the Trust to ensure that pay progression is consistent and equitable.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of a possible
P Whitman (Chair)	2	2
F Baker	2	2
K Morawiecka-Watkins	2	2
P Laurence	2	2

Governance Statement (continued)

Governance (continued)

Review of Value for Money

As Accounting Officer, the Acting Co-CEO/Executive Principal (Primary) has responsibility for ensuring that the 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 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 Trust has delivered improved value for money during the year by:

- Renegotiating contracts in a timely manner to ensure the best mix of quality and cost effectiveness.
- Working with other local schools and Trusts to share knowledge and best practice with a view to increasing cost efficiencies within the Trust
- Central purchasing for large contracts to achieve economies of scale
- All secondary schools within the Trust have working Curriculum-Led Financial Planning models

The Trust is committed to extending this approach over the coming years and is already targeting a number of services to address over the coming months.

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 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 Abbey Multi Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the 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 Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The 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

Governance Statement (continued)

Governance (continued)

- regular reviews by the Finance and Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to appoint RSM Risk Assurance Services Ltd as internal auditor
- to re-appoint Mazars LLP as external 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:

- Follow up of 2019/20 internal audit work
- Payroll and Expenses
- Key Financial Controls
- Risk Management
- Secure Remote Working and Operational Resilience

On a regular basis the auditor reports to the Board of Trustees, through the Audit and Risk Committee/Finance and Resources Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

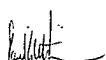
Review of Effectiveness

As Accounting Officer, the Co-CEO/Executive Principal (Primary) 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 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 Audit & Risk Committee/Finance & Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 22nd December 2021 and signed on its behalf by:



Paul Whitman
Trustee



Helen Pratten
Accounting Officer

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Abbey Multi Academy Trust I have considered my responsibility to notify Abbey Multi Academy Trust's Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the Funding Agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies' Financial Handbook 2020.

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

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



Helen Pratten
Accounting Officer
22nd December 2021

Statement of Trustees' Responsibilities

The Trustees (who act as Directors of Abbey Multi Academy Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 22nd December 2021 and signed on its behalf by:



Paul Whitman
Trustee

Independent auditor's report to the members of Abbey Multi Academy Trust

Opinion

We have audited the financial statements of Abbey Multi Academy Trust ("the 'Academy Trust') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Academies Accounts Direction 2020 to 2021.

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 financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements 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

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

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

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

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify

Independent auditor's report to the members of Abbey Multi Academy Trust (continued)

such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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 financial statements are prepared is consistent with the financial statements; 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 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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 26, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditor's report to the members of Abbey Multi Academy Trust (continued)

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Based on our understanding of the Academy Trust and its industry, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

We evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the Trustees and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Independent auditor's report to the members of Abbey Multi Academy Trust (continued)

Use of the audit report

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.

Mazars LLP

Mazars LLP (Dec 22, 2021 17:30 GMT)

Shaun Mullins (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

5th Floor

3 Wellington Place

Leeds

LS1 4AP

22/12/2021

Independent Reporting Accountant's Assurance Report on Regularity to Abbey Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 14 October 2021 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Abbey Multi Academy Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Abbey Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Abbey Multi Academy Trust and the ESFA those matters we are required to state to it 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 Abbey Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Abbey Multi Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Abbey Multi Academy Trust's funding agreement with the Secretary of State for Education dated 27 January 2015 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

Independent Reporting Accountant's Report on Regularity (continued)

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

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

Mazars LLP
Mazars LLP (Dec 22, 2021 17:30 GMT)

Reporting Accountant

Mazars LLP

22/12/2021

Statement of Financial Activities (Incorporating Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2021 £000	Total 2020 £000
Income and endowments from:						
Donations and capital grants	4	-	23	6,033	6,056	1,177
Charitable activities:						
Funding for the Trust's educational operations	5	399	29,071	-	29,470	28,887
Other trading activities	6	221	-	-	221	214
Investments	7	-	-	-	-	3
Total		620	29,094	6,033	35,747	30,281
Expenditure on:						
Charitable activities:						
The Trust's educational operations	8	127	29,312	1,771	31,210	32,533
Total		127	29,312	1,771	31,210	32,533
Net income/(expenditure)		493	(218)	4,262	4,537	(2,253)
Transfers between funds		-	86	(86)	-	-
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes		-	(2,191)	-	(2,191)	(1,546)
Revaluation gains/(losses) on defined pension assets		-	3,680	-	3,680	(1,072)
Net movement in funds		493	1,357	4,176	6,026	6,039
Reconciliation of funds						
Total funds brought forward		1,551	(16,785)	51,733	36,500	41,370
Total funds carried forward		2,044	(15,427)	55,909	42,526	36,500

Balance Sheet

Company Number 07705552

	Notes	2021 £000	2020 £000
Fixed assets			
Intangible assets	12	25	24
Tangible assets	13	53,511	50,478
Current assets			
Debtors	14	5,907	1,087
Cash at bank and in hand	26	4,624	2,404
		<u>10,531</u>	<u>3,491</u>
Liabilities			
Creditors: Amounts falling due within one year	15	<u>(6,097)</u>	<u>(2,447)</u>
Net current assets		4,434	1,043
Total assets less current liabilities		57,970	51,545
Creditors: Amounts falling due after more than one year	16	<u>(18)</u>	<u>(23)</u>
Net assets excluding pension liability		57,952	51,522
Defined benefit pension scheme liability	30	<u>(15,426)</u>	<u>(15,022)</u>
Total net assets		42,526	36,500
Funds of the Trust:			
Restricted funds			
. Fixed asset fund	17	55,909	51,733
. Restricted income fund	17	(1)	(1,763)
. Pension reserve	17	<u>(15,426)</u>	<u>(15,022)</u>
Total restricted funds		40,482	34,948
Unrestricted income funds	17	<u>2,044</u>	<u>1,551</u>
Total funds		42,526	36,500

The financial statements on pages 34 to 61 were approved by the Trustees and authorised for issue on 22nd December and are signed on their behalf by:



Paul Whitman
Trustee

Statement of Cash Flows

	Notes	2021 £000	2020 £000
Cash flows from operating activities			
Net cash provided by/(used by) operating activities	23	993	(2)
Cash flows from financing activities	24	-	3
Cash flows from investing activities	25	1,228	913
Change in cash and cash equivalents in the reporting period		<u>2,221</u>	<u>914</u>
Cash and cash equivalents at 1 September 2020		2,404	1,490
Cash and cash equivalents at 31 August 2021	26	<u>4,624</u>	<u>2,404</u>

Notes to the Financial Statements

1 Statement of 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.

Basis of preparation

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

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

Going concern

In 2019-20 the Trust submitted a recovery plan that was accepted by the ESFA which forecast that the Trust would be back in a surplus reserves position by the end of 2020-21. During 2020-21 in line with the recovery plan the Trust made significant savings through working with academy leaders to implement the use of the integrated curriculum financial planning (ICFP) in reviewing budgets to highlight where cost efficiencies could be made. The Trust has adopted a software which enables it to review academies metrics on a termly basis to enable leaders to make informed decisions when reviewing recruitment needs for their academies. The Trust was signed off from being required to share monthly finance reports by the ESFA in August 2021 following the submission of the three-year budget in July 2021 which showed a forecast surplus reserves position at the end of 2020-21 that was expected to continue across the three years.

The central team continues to work on the Trust's procurement strategy, which includes both short-term and longer-term objectives that the Trust is working on both at academy and Trust level. The short-term objectives include a review of all high value expenditure lines to ensure that contracts are coterminous and are achieving economies of scale savings where possible. Detailed cash flow forecasts are being produced and reviewed regularly to ensure that liabilities can be met as they fall due. The Trust's cash flow position was showing a more favourable position at the year end with an increase of £2.2m from the previous year to £4.6m (2020: £2.4m).

The financial governance of the Trust has strengthened through the use of tighter controls and more accurate and collaborative reporting, the Trust now undertakes internal reviews around the financial regulations and scheme of delegation three times a year in addition to an annual external review. Going forwards the results of the internal reviews will be made available at all reporting levels to increase academies accountability.

The Trust also benefited during the year from increased Government funding through the National Funding Formula (NFF) which has assisted in covering several years of unfunded pay rises for staff and rising inflationary costs and future plans for the NFF have forecast that this support for academies will continue providing a more stable basis on which to set individual academy budgets.

The Trustees have reviewed the key risks that the Trust will be facing in the next 12 months which include rising supply costs due to Covid19 related absence and pupil numbers across academies being impacted by local competition and falling demographics. Having reviewed the key risks, Trustees have concluded that the.

Notes to the Financial Statements (continued)

Trust now has robust financial monitoring in place that ensures academies are reviewing budgets three years in advance and are using ICFP to mitigate any challenges as they appear

On that basis and after making appropriate enquires 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.

Income

All incoming resources are included in the Statement of Financial Activities when the Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability

- **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 entitlement of receipt, 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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund

- **Sponsorship**

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

- **Donations**

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy's policies.

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Income tax recoverable in relation to donations received under Gift Aid or Deeds of Covenant is recognised at the time of the donation

Notes to the Financial Statements (continued)

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the 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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- **Donated fixed assets**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the

appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's accounting policies.

- **Transfer on conversion**

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

Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

Notes to the Financial Statements (continued)

These are costs incurred on the Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities. All resources expended are inclusive of irrecoverable VAT.

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

• Freehold buildings	1.67% to 10%
• Long leasehold buildings	1% to 10%
• Fixtures, fittings and equipment	10% to 20%
• Computer hardware	20% to 25%
• Motor vehicles	20% to 25%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

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 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.

Notes to the Financial Statements (continued)

Provisions

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

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

Leased assets

Rentals under operating leases are charged on a straight line basis over the lease term.

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 as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

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

Taxation

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

Pensions benefits

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS').

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 30, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is

Notes to the Financial Statements (continued)

therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the 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.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 Education and Skills Funding Agency, Leeds City and Calderdale Councils.

Critical accounting estimates and areas of judgement

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 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 30, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the Financial Statements (continued)

2 Comparative Statement of Financial Activities for Year Ended 31 August 2020

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2020 £000	Total 2019 £000
Income and endowments from:						
Donations and capital grants	4	-	8	1,169	1,177	1,139
Transfer from local authority on conversion	4	-	-	-	-	1,490
Charitable activities:						
Funding for the Trust's educational operations	5	614	28,274	-	28,887	28,434
Other trading activities	6	214	-	-	214	338
Investments	7	3	-	-	3	1
Total		830	28,282	1,169	30,281	31,402
Expenditure on:						
Charitable activities:						
The Trust's educational operations	8	821	29,973	1,740	32,533	33,137
Total		821	29,973	1,740	32,533	33,137
Net income/(expenditure)		9	(1,691)	(571)	(2,253)	(1,735)
Transfers between funds		(9)	136	(127)	-	-
Other recognised losses:						
Actuarial losses on defined benefit pension schemes		-	(1,546)	-	(1,546)	(5,549)
Revaluation (loss)/gain on defined benefit pension assets		-	(1,072)	-	(1,072)	187
Net movement in funds		-	(4,174)	(698)	(4,870)	(7,097)
Reconciliation of funds						
Total funds brought forward		1,551	(12,612)	53,341	41,370	48,467
Total funds carried forward		1,551	(16,785)	51,733	36,500	41,370

3 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Trust was not subject to any limits at 31 August 2021 on the amount of GAG that could be carried forward from one year to the next.

Notes to the Financial Statements (continued)

4 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Restricted Fixed Assets £000	Total 2021 £000	Total 2020 £000
Capital grants	-	-	6,033	6,033	1,169
Other donations	-	23	-	23	8
	<u>-</u>	<u>23</u>	<u>-</u>	<u>6,056</u>	<u>1,177</u>

5 Funding for the Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000 Restated
DfE/ESFA grants				
General Annual Grant (GAG)	-	24,429	24,429	23,969
Other DfE/ESFA grants:				
Pupil Premium	-	1,336	1,336	1,379
Universal Free School Meals	-	195	195	192
Teachers Pay and Pension	-	1,187	1,187	1,230
Rates reclaim	-	141	141	143
Other ESFA grants	-	648	648	263
	<u>-</u>	<u>27,936</u>	<u>27,936</u>	<u>27,176</u>
Other Government grants				
Local authority grants	-	806	806	469
Other income from the Trust's educational operations	399	310	709	1,184
	<u>399</u>	<u>1,116</u>	<u>1,515</u>	<u>1,653</u>
Exceptional Government Funding				
Coronavirus Job Retention Scheme grant	-	19	19	58
	<u>399</u>	<u>1,135</u>	<u>1,534</u>	<u>1,711</u>
	<u>399</u>	<u>29,071</u>	<u>29,470</u>	<u>28,887</u>

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

Notes to the Financial Statements (continued)

6 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Hire of facilities	109	-	109	106
Income from other charitable activities	112	-	112	107
	<u>221</u>	<u>-</u>	<u>221</u>	<u>214</u>

7 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2021 £000	Total 2020 £000
Short term deposits	-	-	-	3
	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>

8 Charitable activities

	Staff Costs £000	Premises £000	Other £000	Total 2021 £000	Total 2020 £000
Direct costs – educational operations	18,754	-	1,855	20,609	22,261
Support costs – educational operations	5,548	1,516	3,537	10,601	10,273
Total	24,302	1,516	5,392	31,210	32,533

Net income/(expenditure) for the period includes:

	Total 2021 £000	Total 2020 £000
Operating leases rentals	167	224
Depreciation	1,758	1,729
Amortisation	13	11
Fees payable to auditor for:		
- audit	38	26
- other services	11	14
Actuarial fees	1	1
Trustees' liability insurance	4	2

Analysis of support costs

	Total 2021 £000	Total 2020 £000
Support staff costs	3,869	3,860
FRS 102 – Service cost	1,644	1,372
FRS 102 – Finance cost	249	198
Depreciation	1,589	1,621
Technology costs	401	45
Premises costs	1,516	1,231
Legal costs	21	19
Other support cost	1,195	1,820
Governance cost	117	108
Total support costs	10,601	10,273

Notes to the Financial Statements (continued)

9 Staff

a. Staff costs

Staff costs during the period were:

	Total 2021 £000	Total 2020 £000
Wages and salaries	16,691	17,754
Social security costs	1,701	1,777
Operating costs of defined benefit pension schemes	5,104	4,933
	<u>23,496</u>	<u>24,463</u>
Supply staff costs	614	527
Staff restructuring costs	192	87
	<u>806</u>	<u>614</u>
	<u>24,302</u>	<u>25,077</u>

Staff restructuring costs comprise:

Severance payments	93	87
Redundancy	99	-
	<u>192</u>	<u>87</u>

b. Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are 4 (2020: 4) non-contractual severance payments of £20,000, £12,350, £5,097, £3,140 (2020: £13,960, £12,963, £1,849, £862.)

c. Staff numbers

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

	2021 No.	2020 No.
Teacher	247	264
Administration and support	347	369
Management	39	43
	<u>633</u>	<u>676</u>

d. Higher paid staff

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

	2021 No.	2020 No.
£60,001 - £70,000	11	9
£70,001 - £80,000	5	4
£80,001 - £90,000	2	-
£90,001 - £100,000	1	2
£110,000 - £120,000	2	3

Notes to the Financial Statements (continued)

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 3. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Trust was £1,363,565 between 13 employees (2020: £1,238,355 restated between 11 employees).

10 Related Party Transactions – Trustees' remuneration and expenses

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

Other Trustees did not receive any payments from the Trust in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

C Garrett (Co-CEO/Director of Education):

Remuneration £115,483 (2020: £109,644)

Employer's pension contributions paid £28,739 (2020: £25,964)

H Pratten (Co-CEO/Executive Principal (Primary):

Remuneration £115,483 (2020: £109,644)

Employer's pension contributions paid £28,612 (2020: £25,964)

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil were reimbursed or paid directly to Trustees (2020: £520).

11 Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2021 was £4,065 (2020: £4,065). The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements (continued)

12 Intangible fixed assets

	Computer Software
	£000
Cost	
At 1 September 2020	83
Additions	15
Disposal	(53)
At 31 August 2021	<u>44</u>
Amortisation	
At 1 September 2020	59
Charged in year	13
Disposal	(53)
At 31 August 2021	<u>19</u>
Carrying amount	
At 1 September 2020	24
At 31 August 2021	<u>25</u>

Notes to the Financial Statements (continued)

13 Tangible fixed assets

	Assets Under Constructi on £000	Freehold Land & Buildings £000	Leasehold Land & Buildings £000	Furniture & Equipment £000	Computer Hardware £000	Motor Vehicles £000	Total £000
Cost							
At 1 September 2020	-	23,308	40,101	3,193	3,087	81	69,770
Additions	4,110	274	25	180	202	-	4,791
Disposals	-	-	-	(42)	(1,509)	(5)	(1,556)
At 31 August 2021	4,110	23,582	40,126	3,332	1,780	75	73,005
Depreciation							
At 1 September 2020	-	5,454	8,410	2,475	2,872	81	19,292
Charged in year	-	626	823	140	169	-	1,758
Disposals	-	-	-	(42)	(1,508)	(6)	(1,556)
At 31 August 2021	-	6,080	9,233	2,573	1,533	75	19,494
Net book values							
At 31 August 2020	-	17,854	31,691	719	215	-	50,478
At 31 August 2021	4,110	17,503	30,893	759	246	-	53,511

Long leasehold land and buildings represent either land owned by the Church of England and held on Trust by the Leeds Diocese (formerly West Yorkshire & the Dales) Board of Finance or land owned by the local authority and leased to the Trust under a 125-year lease. The land and buildings owned by the Church of England have been made available to the Trust under a supplemental agreement between the Leeds Diocesan Board of Finance and the Trust for as long as the Trust conforms to terms of the Trust deed.

On the 1 September 2019 Christ Church Upper Armley C of E Primary Academy converted into the Trust, the land that the Academy is situated on is currently unregistered but is believed to be held by the Leeds Diocesan Board of Finance and a Church Supplemental Agreement is in place which gives the Trust operating rights. On that basis the land and buildings have been categorised as long leasehold in line with the valuation done by Eddisons Taylors Business and Commercial Valuers.

The gross book value of freehold and long leasehold and buildings includes land with a value of £6,060,000 which is not depreciated.

Notes to the Financial Statements (continued)

14 Debtors

	2021 £000	2020 £000
VAT recoverable	1,154	84
Other debtors	86	51
Prepayments and accrued income	4,667	951
	<u>5,907</u>	<u>1,087</u>

15 Creditors: amounts falling due within one year

	2021 £000	2020 £000
Trade creditors	3,968	516
ESFA creditor	135	125
Other creditors	510	417
Accruals and deferred income	1,128	954
Other taxation and social security	356	435
	<u>6,097</u>	<u>2,447</u>

	2021 £000	2020 £000
Deferred income		
Deferred income at 1 September 2019	506	429
Released from previous years	(492)	(419)
Resources deferred in the year	470	496
Deferred income at 31 August 2020	<u>484</u>	<u>506</u>

At the year end the Trust was in receipt of £55,874 (2020: £260,000) in respect of future trips and £436,822 (2020: £224,000) for grants for future periods.

The Trust received a loan of £40,000 from ESFA for the purpose of boiler replacement and energy efficiency which is provided on the following terms: Repayment of £2,500 every 6 months over a period of 8 years. The amount repaid in the year was £5,000.

16 Creditors: amounts falling due in greater than one year

	2021 £000	2020 £000
ESFA creditor	18	23
	<u>18</u>	<u>23</u>

Notes to the Financial Statements (continued)

17 Funds

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	(1,760)	24,429	(22,755)	86	-
Pupil Premium	-	1,336	(1,336)	-	-
SSIF	(2)	1	-	-	(1)
Other grants	-	3,328	(3,328)	-	-
Pension reserve	(15,022)	-	(1,893)	1,489	(15,426)
	(16,784)	29,094	(29,312)	1,575	(15,427)
Restricted fixed asset funds					
Transfer on conversion	27,567	-	(953)	-	26,614
Donated assets	17,871	-	(742)	-	17,129
ESFA capital grants	6,002	963	(76)	(76)	6,813
Capital expenditure from GAG	283	-	-	-	283
Other capital grants	10	-	-	(10)	-
Salix grant	-	5,070	-	-	5,070
Total fixed assets reserve	51,733	6,033	(1,771)	(86)	55,909
Total restricted funds	34,949	35,127	(31,082)	1,489	40,484
Total unrestricted funds	1,551	620	(127)	-	2,044
Total funds	36,500	35,747	(31,209)	1,489	42,526

Under the Funding Agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of General Annual Grant that it could carry forward at 31 August 2021.

GAG and Other Grants

The General Annual Grant and other grants were paid to cover the running costs of the Trust. Funds spent in the year have been done so in line with the academies funding agreements.

Unrestricted Funds

This is the revenue income generated by the Academy Trust throughout the year through the provision of consultancy services, unrestricted donations, and trading activities. These funds are held as a reserve for unforeseen expenditure.

Unrestricted funds can be transferred to restricted funds only with the consent of the Academy Trust.

Notes to the Financial Statements (continued)

18 Funds

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2020 £000
Restricted general funds					
General Annual Grant (GAG)	(1,858)	23,969	(24,010)	136	(1,760)
Pupil Premium	-	1,379	(1,379)	-	-
SSIF	76	52	(130)	-	(2)
Other grants	4	2,881	(2,885)	-	-
Pension reserve	(10,834)	-	(1,570)	(2,618)	(15,022)
	(12,612)	28,282	(29,972)	(2,482)	(16,784)
Restricted fixed asset funds					
Transfer on conversion	28,350	-	(783)	-	27,567
Donated assets	18,594	-	(723)	-	17,871
ESFA capital grants	5,161	1,159	(191)	(127)	6,002
Capital expenditure from GAG	326	-	(43)	-	293
Other capital grants	-	10	-	-	10
	52,431	1,169	(1,740)	(127)	51,733
Total restricted funds	39,819	29,451	(31,712)	(2,609)	34,959
Total unrestricted funds	1,551	830	(821)	(9)	1,551
Total funds	41,370	30,281	(32,533)	(2,618)	36,500

Notes to the Financial Statements (continued)

19 Funds

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2019 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted general funds					
General Annual Grant (GAG)	(1,858)	48,397	(46,762)	222	1
Pupil Premium	-	2,715	(2,715)	-	-
SSIF	76	51	(130)	-	(1)
Other grants	4	6,211	6,215	-	-
Pension reserve	(10,834)		(3,463)	(1,129)	(15,426)
	(12,612)	57,377	(59,284)	(907)	(15,427)
Restricted fixed asset funds					
Transfer on conversion	28,350	-	(1,735)		26,615
Donated assets	18,594	-	(1,465)		17,129
ESFA capital grants	5,161	2,122	(267)	(203)	6,813
Capital expenditure from GAG	326	-	(43)		283
Salix Grant		5,070	-		5,070
Other Capital grants			-	(10)	-
	52,431	7,192	(3,510)	(213)	55,909
Total restricted funds	39,819	64,578	(62,794)		40,482
Total unrestricted funds	1,551	1,449	(948)	(9)	2,044
Total funds	41,370	66,028	(63,742)	-	42,526

Total funds analysis by the Trust

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021 £000	Total 2020 £000
Abbey Grange CE Academy	1,952	921
Lightcliffe Academy	390	(34)
Bishop Young CE Academy	21	(320)
Manston St James Primary Academy	13	(7)
St Chad's CE Primary Academy	288	263
Holy Trinity CE Primary Academy	(136)	(131)
Lightcliffe CE Primary Academy	255	199
Christ Church Upper Armley CE Primary Academy	42	(55)
Abbey MAT	(783)	(1,048)
Total before fixed assets and pension reserve	2,042	(211)
Restricted fixed asset fund	55,909	51,733
Pension reserve	(15,426)	(15,022)
Total	42,526	36,500

Notes to the Financial Statements (continued)

Total cost analysis by Academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2021 £000	Total 2020 £000
Abbey Grange CE Academy	5,655	649	538	1,638	8,480	8,503
Lightcliffe Academy	4,554	989	345	1,268	7,156	7,649
Bishop Young CE Academy	3,215	595	292	996	5,098	5,395
Manston St James Primary Academy	1,398	144	111	307	1,960	1,987
St Chad's CE Primary Academy	760	180	58	219	1,217	1,212
Holy Trinity CE Primary Academy	639	111	50	181	981	1,212
Lightcliffe CE Primary	1,203	267	62	287	1,819	1,770
Christ Church UA CE Primary Academy	698	133	55	190	1,076	1,084
Trust Services	567	871	20	305	1,763	3,802
Total	18,689	3,939	1,531	5,391	29,550	32,614

Total cost analysis per Academy excludes depreciation and includes internal recharges where relevant.

Notes to the Financial Statements (continued)

20 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	25	25
Tangible fixed assets	-	-	53,511	53,511
Current assets	2,044	6,115	2,373	10,531
Current liabilities	-	(6,097)	-	(6,097)
Non-current liabilities	-	(18)	-	(18)
Pension scheme liability	-	(15,426)	-	(15,426)
Total net assets	2,044	(15,426)	55,909	42,526

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

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	24	24
Tangible fixed assets	-	-	50,478	50,478
Current assets	1,551	708	1,231	3,491
Current liabilities	-	(2,447)	-	(2,447)
Non-current liabilities	-	(23)	-	(23)
Pension scheme liability	-	(15,022)	-	(15,022)
Total net assets	1,551	(16,785)	51,746	36,500

21 Capital commitments

	2021 £000	2020 £000
Contracted for, but not provided in the financial statements	1,115	41

Notes to the Financial Statements (continued)

22 Commitments under operating leases

Operating leases

At 31 August 2021 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2021 £000	2020 £000
Amounts due within one year	171	120
Amounts due between one and five years	133	151
Amounts over five years	48	28
	<u>352</u>	<u>300</u>

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

	2021 £000	2020 £000
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	4,537	(2,253)
Adjusted for:		
Depreciation [note 13]	1,758	1,729
Amortisation [note 12]	13	11
Capital grants from DfE and other capital income [note 4]	(6,033)	(1,169)
Interest receivable [note 7]	-	(3)
Defined benefit pension scheme cost less contributions payable [note 30]	1,644	1,372
Defined benefit pension scheme finance cost [note 30]	249	198
(Increase)/decrease in debtors [note 14]	(4,821)	50
Decrease in creditors [note 15]	3,645	63
Net cash provided by/(used by) Operating Activities	<u>993</u>	<u>(2)</u>

24 Cash flows from financing activities

	2021 £000	2020 £000
Interest received	-	3
Net cash provided by financing activities	<u>-</u>	<u>3</u>

Notes to the Financial Statements (continued)

25 Cash flows from investing activities

	2021	2020
	£000	£000
Purchase of fixed assets	(4,805)	(257)
Capital grants from DfE/ESFA	6,033	1,169
Net cash provided by investing activities	1,228	913

26 Analysis of cash and cash equivalents

	At 31 August 2021 £000	At 31 August 2020 £000
Cash in hand and at bank	4,624	2,404
Total cash and cash equivalents	4,624	2,404

27 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10.00 for the debts and liabilities contracted before he/she ceases to be a member.

28 Related party transactions

Owing to the nature of the 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 Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account:

The Diocese of Leeds (formerly the Diocese of West Yorkshire & the Dales) where the Director of Education and two further Trust Members (The Rt Revd P Slater and Mrs A Nicholl), all regularly attend Diocese of Leeds Trust Board meetings as Diocese of Leeds Trust Members, transactions amounted to £8,903 (2020: £7,161) in respect of subscriptions and course fees.

Leeds Faith in Schools transactions in year amounted to £5,173 (2020: £10,173) in respect of the provision of faith related service. Trust Member Mrs A Nicholl is currently a Trustee on Leeds Faith in Schools board.

The Trustees considered that all of the above transactions are in keeping with the activities of the Trust, especially a faith-based organisation such as Abbey Multi Academy Trust.

Notes to the Financial Statements (continued)

29 Agency arrangements

The Trust administers funds on behalf of the ESFA in respect of bursaries for Post 16 students, the analysis of funds area as follows:

	Total 2021 £000	Total 2020 £000
Balance bought forward	109	90
Bursary grants received	51	47
5% administrative fee	(3)	(3)
Expenditure incurred	(29)	(25)
Amount reflected in Creditors	<u>128</u>	<u>109</u>

30 Pension and similar obligations

The 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 West Yorkshire Pension Fund. Both are multi-employer defined benefit schemes

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2019

Contributions amounting to £471,327 were payable to the schemes at 31 August 2021 (2020: £406,942) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership.

Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

Notes to the Financial Statements (continued)

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website

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.

Scheme Change

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

Notes to the Financial Statements (continued)

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the period amounted to £2,587,238 (2020: £2,755,407).

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,126,835 (2020: £1,098,844), of which employer's contributions totalled £823,868 (2020: £797,766) and employees' contributions totalled £302,947 (2020: £301,978). The agreed contribution rates for future years are 2020 - 2022: 15.9% for employers and a variable rate for employees based upon earnings.

As described in note 30, the LGPS obligation relates to the employees of the academy trust, who were employees transferred on conversion or from existing academies and represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Principal actuarial assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.9%	3.6%
Rate of increase for pensions in payment/inflation	2.6%	2.3%
Discount rate for scheme liabilities	1.7%	1.7%
Inflation assumption (CPI)	2.6%	2.3%

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

	At 31 August 2021	At 31 August 2020
<i>Retiring today</i>		
Males	21.9	21.8
Females	24.7	24.6
<i>Retiring in 20 years</i>		
Males	22.6	22.5
Females	25.8	25.7

Notes to the Financial Statements (continued)

The Trust's share of the assets in the scheme were:

	2021 £000	2020 £000
Equity instruments	18,336	14,260
Government Bonds	1,829	1,778
Corporate Bonds	1,006	916
Cash	503	312
Others	320	275
Property	869	788
Total market value of assets	22,863	18,329

The actual return on scheme assets was £3,996,000 (2020: £716,000).

Amount recognised in the statement of financial activities

	2021 £000	2020 £000
Current service cost	2,469	2,166
Net interest cost	249	198
Total operating charge	2,718	2,364

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

	2021 £000	2020 £000
At 1 September	33,351	29,214
Current service cost	2,469	2,166
Interest cost	565	554
Employee contributions	304	299
Actuarial loss	2,191	1,546
Benefits paid	(591)	(428)
At 31 August	38,289	33,351

Changes in the fair value of Trust's share of scheme assets:

	2021 £000	2020 £000
At 1 September	18,329	18,380
Return on plan assets (excluding net interest on the net defined pension liability)	316	356
Actuarial gain/(loss)	3,680	(1,072)
Employer contributions	825	794
Employee contributions	304	299
Benefits paid	(591)	(428)
At 31 August	22,863	18,329

Notes to the Financial Statements (continued)

31 Central Services

The Trust allocates across its member Academies a number of centrally derived costs which include the following:

- Central Education Team
 - Education Quality Assurance
 - Education Data management software
 - Safeguarding Quality Assurance
- Business Support Teams
 - IT Support desk
 - Estates & Facilities management
 - Marketing, communications & Digital Services
 - HR & Finance Support
 - Legal & Professional Support
 - Governance Support
- Annual Statutory Accounts preparation
- Internal and external audit
- Financial Systems & licensing
- Budget Management Software
- Payroll & Pension Management
- Apprenticeship Levy Management
- Vacancy application software
- Health & Safety Compliance Software
- Risk Management Software & Support
- Policy Compliance software
- Academy leader and Governors Training

The basis of the central services charge for the period was 6% of the General Annual Grant for the Primary Academies and Secondary Academies picking up the remaining balance on an equal basis less any income generated by the Central Services Team, through Grants and/or the sale of services.

The budget and basis for the Central Services charge is approved annually by the Trust Board.

The actual amounts charged during the year were as follows:

	Total 2021 £000	Total 2020 £000
Abbey Grange CE Academy	762	556
Lightcliffe Academy	590	520
Bishop Young CE Academy	320	423
St Chad's Primary CE Academy	48	45
Manston St James CE Academy	93	90
Holy Trinity CE Academy	43	45
Lightcliffe Primary	94	60
Christ Church Upper Armley CE Primary Academy	53	45
	2,003	1,784