



(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

**for the year ended
31 August 2021**

Yorkshire Collaborative Academy Trust

CONTENTS

Reference and Administrative Details	1
Chairman's statements/ Trustees' Report	2
Governance Statement	7
Statement on Regularity, Propriety and Compliance	10
Statement of Trustees' Responsibilities	11
Independent Auditor's Report on the Financial Statements	12
Independent Reporting Accountant's Assurance Report on Regularity	16
Statement of Financial Activities Incorporating Income and Expenditure Account	18
Balance Sheet	19
Cash Flow Statement	20
Statement of Accounting Policies	21
Notes to the Financial Statements	25

Yorkshire Collaborative Academy Trust

REFERENCE AND ADMINISTRATIVE DETAILS

Members

P Laurence
G Osbourne
L Pugh
S Root
G Grodzki

Trustees

I Moore (Chair)
J Robinson (CEO)
J Baynes
A Hornby
N Lancaster
D McConnell
E Nicholson
D Parker
F Jones (Resigned 2 July 2021)

CEO and Accounting Officer

J Robinson

Finance Director

S Johnson

Senior Leadership Team:

S King (Clerk to Trustees)
J Robinson (CEO)
S Johnson (CFO)
R Street
E Naylor
H Vasey
S Beveridge
L Longford
C Grogan
S James

Registered Office

Bilton Grange School
Bilton Lane
Harrogate
HG1 3BA

Company Registration Number

09668526 (England and Wales)

Independent Auditor

Murray Harcourt Limited
6 Queen Street
Leeds
LS1 2TW

Bankers

Lloyds Bank Plc
8-11 Cambridge Crescent
Harrogate
HG1 1PQ

Solicitors

Stone King LLP
1 Aire Street
Leeds
LS1 4PR

The Yorkshire Collaborative Academy Trust

CHAIRMAN'S STATEMENT/ TRUSTEES' REPORT

Chairman's Statement

"Working and learning together to improve children's lives"

Our schools have continued to face another challenging year responding to the pandemic with the ever-changing advice and guidance that is required to ensure our children and families are safe.

We have focused on supporting the mental health and well-being of pupils and addressing learning loss because of further periods of remote learning.

Our staff have made a huge commitment to meeting the needs of our children through continuing difficult circumstances and on behalf of the Trust I would like to thank them all for their considerable hard work.

Chief Executive Officer's Review of the Year

Our priority during the academic year 2020/21 has been ensuring our remote learning and support for children during the continuing pandemic has been as effective as possible.

I have been proud of the creative ways staff have adapted approaches and school's operational arrangements to meet all children's needs. Our children have been placed at the heart of our provision.

The commitment of staff, children, and parents to support children's health and well-being and still provide a broad and rich curriculum has been reflected in the very high levels of attendance across the Trust throughout the school year. This would not have been possible without the huge commitment and support of our local Governing bodies.

Trustees' report

Trustees' Report for the year ended 31 August 2021

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

The trust operates 5 academies for pupils aged 3 to 11 in the North Yorkshire area. The trust had 789 pupils on roll during the year.

Constitution

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

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Method of Recruitment and Appointment or Election of Trustees

The trust, on identifying a need to recruit an additional or replacement trustee will identify requirements based on a skills audit of the current trustees. Candidates will be sought from within the schools and local communities and through external support agencies including Academy Ambassadors. The new trustee will be proposed by the Chief Executive Officer and Chair of Trustees following interview.

Trustees are appointed by the Members of the Yorkshire Collaborative Academy Trust, under the rules contained within its Memorandum and Articles of Association.

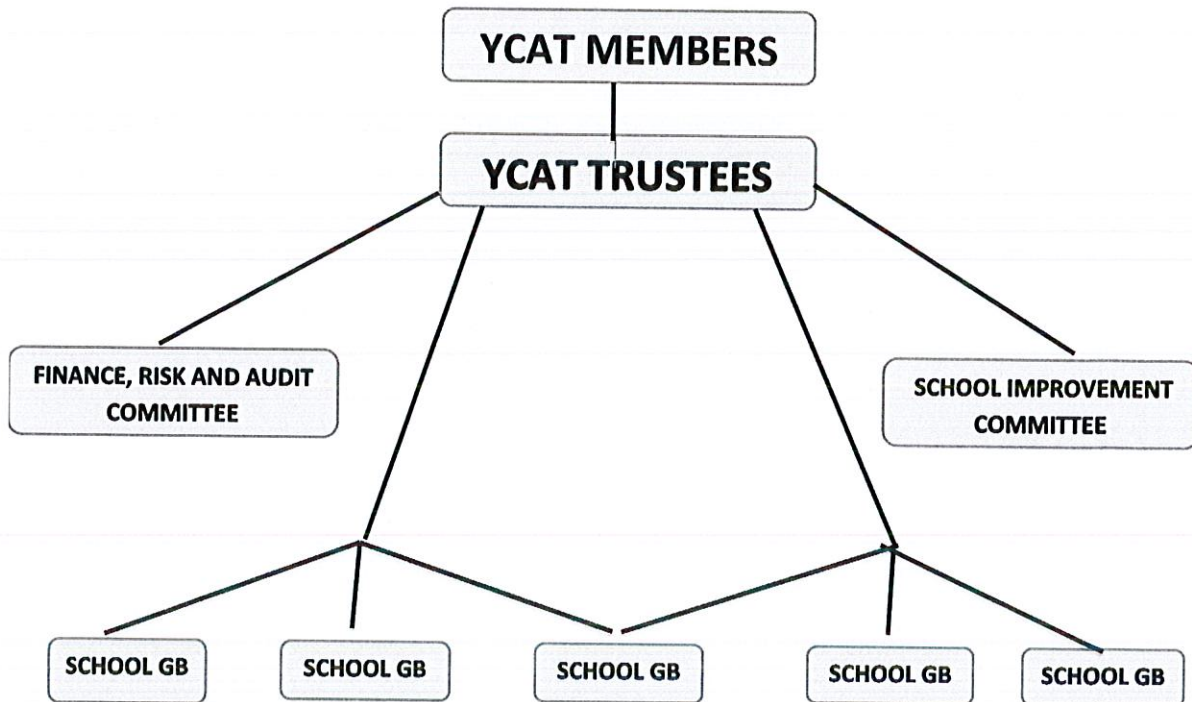
All new trustees will be required to complete an Enhanced Disclosure (through the Disclosure Barring Service) before the selection is confirmed and have a breadth of skills and experience which are beneficial to Yorkshire Collaborative Academy Trust.

The Yorkshire Collaborative Academy Trust TRUSTEES' REPORT (continued)

Policies and Procedures Adopted for the Induction and Training of Trustees

A bespoke induction programme will be provided to all new trustees, informed by the National Governors Association. Trustees and Governors are encouraged to access training as and when required. Governance training is provided at both trust and school governance level, including a suite of online programmes developed specifically for our trust together with over 50 online modules developed by the National Governance Association.

Organisational Structure



5 Members; 9 Trustees

Governance, Leadership and Management of the Trust is carried out by the following:

- Board of Trustees
- Finance, Resources, Audit and Risk Committee
- School Improvement Leadership Group
- YCAT Chief Executive Officer and Chief Financial Officer
- School Local Governing Bodies
- Headteachers of each school

A comprehensive Accountabilities Framework has been agreed by the Trustees and identifies responsibilities and accountability across these groups. The Accountabilities Framework is available on the YCAT website at www.ycatschools.co.uk

In summary, the Trustees have the following role:

- Custodians of the values and vision of YCAT
- Strategically planning with leaders for the development of YCAT
- Monitoring and evaluating the progress of YCAT's improvement and development plan.
- Consulting with leaders, staff and local governing bodies.
- The trustees should provide challenge and support for leaders but are not there to lead or undertake the detailed work of YCAT.

Trustees should promote the development of "Tight-loose balance" in all aspects of the MAT's work.

The Yorkshire Collaborative Academy Trust

TRUSTEES' REPORT (continued)

The CEO and CFO have cross MAT responsibility for delivering on the strategic plans. Local governing bodies and headteachers have a high level of delegated responsibilities and must ensure they meet the challenge of meeting their statutory duties and regulations and continuously improving children's outcomes.

Organic leadership is promoted in YCAT so that we ensure that there are regular opportunities for communication between governors, leaders and trustees. We have a termly meeting for all schools with an opportunity for discussion and training for school leaders, governors and trustees.

Arrangements for setting pay and remuneration of key management personnel

The trustees agree pay and remuneration for key management personnel and the levels are benchmarked against similar schools. Any changes to pay and remuneration are agreed by the trustees through a formal performance management process.

Trade union facility time

During the year, YCAT bought into the North Yorkshire Education Services Professional Association Facilities Arrangements. £2,349 was paid which represents 0.06% of pay bill.

Related parties and other connected charities and organisations

Askwith School is the lead school for the HART Alliance which includes about 50 members and the accounts for HART are included within YCAT. HART supports school improvement, continuing professional development, leadership development, succession planning and research and development.

Objectives, Strategies and Activities

- The key strategic priorities for the sixth year of operation were to:
- Ensure all schools strategically planned a recovery curriculum for the children's return to school.
- Continue to support the leadership of foundation subjects in the new curriculum.
- Further develop the monitoring of the curriculum using a wide range of indicators.
- Continue to develop estates management capacity and apply for CIF funding for all schools
- Promote YCAT through various targeted marketing initiatives
- Establish a Trustees marketing group to support growth and development opportunities
- Promote YCAT school improvement services and specialist academy expertise
- Maintain dialogue with DfE over sponsored schools
- Further develop principles to make YCAT an 'employer of choice'
- Further develop governance systems, structures and support to governors to meet the needs of the trust as we grow.

The YCAT schools have a strong approach to school improvement and a proven track record of impact on pupils' learning.

We continue to provide very effective school improvement through our National Leaders of Education and Specialist Leaders of Education. We have also provided conversion and mentoring support to new multi academy trusts.

Public Benefit

The trustees confirm that they have referred to the guidance on public benefit provided by the Charities Commission when establishing the trust's key objectives.

All the schools within the Academy Trust provide an inclusive curriculum for the pupils within their local community and offer the facility for local organisations to let their premises. All the schools work with their local secondary schools to ensure a smooth transition into secondary education for all pupils.

Strategic Report

Achievements and Performance

The Trust has achieved strong performance against its aims and objectives and in its sixth year of operation has developed quality of education performance indicators.

Key Performance Indicators

National assessment tests have not taken place in 2021 because of the national pandemic. On return to school all schools will be completing baseline assessments and identifying strategies to address pupils' learning loss during school closure because of Covid 19.

The Yorkshire Collaborative Academy Trust

TRUSTEES' REPORT (continued)

Fundraising

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

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

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

The pension deficit for the Local Government Pension Scheme has increased during the year due to the actuarial loss and the impact of the McCloud case.

Net movement in funds was a surplus of £1,126,000 (2020: deficit of £348,000), with net assets at 31 August 2021 of £8,324,000 (2020: £7,198,000).

The reserves position at 31 August 2021 is as follows: Restricted funds excluding pension reserve £10,443,000 (2020: £9,221,000), unrestricted funds (General fund) £540,000 (2021: £367,000).

Reserves Policy

The trustees will review the level of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income and commitments and the nature of the reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review. The reserves policy is reviewed annually by the Trustees.

The trustees have determined that the level of free reserves should not fall below £100,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The level of free reserves at 31 August 2021 was £540,000. The trustees recognise this level is in excess of the target level and will review budgets and future plans to ensure the level of reserves is appropriate.

Investments Policy

The YCAT Trustees have agreed on an Investments Policy which has the following key objectives:

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

Principal Risks and Uncertainties

The trustees have assessed the major risks, to which the academy is exposed, in particular those relating specifically to the quality of the curriculum, provision of facilities and other operational areas of the academy trust including its finances. The Trustees have implemented a number of systems to assess risks at school level, especially in the operational areas (e.g., in relation to the quality of the curriculum, health and safety and safeguarding) and in relation to the control of finances.

The main risk identified to the academy trust, continues to be around the uncertainty of funding levels. Rising costs and potential reductions in future funding due to Covid 19 recovery continue to add to the financial challenge. Additionally, pressure within North Yorkshire and nationally on high needs funding has meant that the costs of supporting pupils with additional needs is significantly higher than the funding received. This underfunding is set to continue, resulting in overall pressure on all school budgets.

Trustees will continue to monitor financial performance to ensure the academy trust remains in a strong financial position.

The Trust recognises the increased risks to organisations due to the challenges created by cyber security. As a result, this is an area of focus for the Trust in the next academic year.

The Yorkshire Collaborative Academy Trust TRUSTEES' REPORT (continued)

The trust has fully implemented the requirements of the Safe Recruitment procedures and all staff have received training in this area in addition to training on Child Protection.

Plans for Future Periods

Our plans for the next year include focus on the five key elements of our strategy which are:

- Embedding a high quality of education across our schools.
 - Priorities have been agreed both at the school and trust level and are being implemented through the school development plans. This includes the full implementation of a knowledge rich curriculum in all subjects.
- Further developing our trust-wide learning community
 - We will further develop our collaborative learning projects with partner schools in the HART Alliance.
- Financial and Commercial effectiveness.
 - The focus is the renegotiation of contracts for services with the aim of achieving better value for money and seeking opportunities for grant funding.
- Developing our employees
 - Our employees are key to the success of the trust. With changes in curriculum and the challenges of the recovery curriculum from Covid 19, we recognise the pressure our staff are under. Health and wellbeing continues to be a key priority for our coming year.
- Generating other sources of income from our schools' areas of specialist expertise

We continue to focus on our core purpose providing a high-quality curriculum that ensures all pupils achieve their full potential.

Our schools strive to find ways to improve children's provision and learning through a continuous self-improving ethos.

We are implementing a new strategy to develop and support expert practitioners for the new curriculum across all our schools and providing more personalised leadership support for senior leaders.


We continue to be committed to measured and responsible growth. This includes continuing to develop partnerships and support for schools. When consistent collaborative working has established shared principles and values, we will discuss with schools the benefits of being part of our Trust.

Auditor

Insofar 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, 7 December 2021 and signed on the board's behalf by:



IAN MOORE

I Moore
Chair of Trustees

The Yorkshire Collaborative Academy Trust

GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Yorkshire Collaborative 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 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

2020-21 academic year	Meetings attended	Out of a possible
Jenny Baynes	5	5
Alex Hornby	3	5
Frank Jones	4	4
Neil Lancaster	4	5
Ian Moore	5	5
Emma Nicholson	4	5
Denise McConnell	5	5
Don Parker	5	5
Jo Robinson	5	5

This year we have continued our focus on improving governance including:

- Improving communication across all levels of the Trust by the development of the Trust's newsletter and local governing body briefings.
- Standard agenda items for meetings at both Trust and Local Governing Body level
- Reviewing the most effective ways of holding meetings and training through a hybrid model of remote and face-to-face.
- Improving governor's understanding of the key changes in curriculum development across our schools.

The Finance, Resources, Audit and Risk (FRAR) Committee is a sub-committee of the main board of trustees. Its purpose is to carry out duties delegated by the main board in the areas of finance and commerce, including strategic management of risk. The Finance, Resources, Audit and Risk Committee met 4 times during the year. Attendance by committee members was as follows:

2020-21 academic year	FRAR meetings attended	Out of a possible
Jenny Baynes	5	5
Ian Moore	4	5
Emma Nicholson	5	5
Sarah Johnson	5	5
Denise McConnell	5	5
Don Parker	5	5
Jo Robinson	5	5

Financial matters are discussed at both the main trust board meetings and the FRAR committee. In addition to the formal meetings, monthly management accounts are provided to the chair of the trustees and the FRAR committee, including income and expenditure, balance sheet and cashflow.

The Yorkshire Collaborative Academy Trust

GOVERNANCE STATEMENT (continued)

Review of Value for Money

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

The accounting officer considers how the 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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Continuing the analysis of benchmarking reviews of similar sized trusts to identify potential savings.
- Implementation of savings in premises costs for four schools through successful applications for CIF funding facilitated by the development of an in-house estates management capability.
- We are continuing with a product with guaranteed protection for staff absence, to reduce financial risk during the national pandemic.
- Reviewing broadband and telephone contracts.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Yorkshire Collaborative Academy Trust for the year to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2021 up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees
- regular reviews by the Finance, Resources, Audit and Risk 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 Veritau Ltd as internal auditor.

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

- Review of accounting processes

The trust received 'substantial assurance' for our accounting processes and no follow up action were identified.

The Yorkshire Collaborative Academy Trust GOVERNANCE STATEMENT (continued)

The internal auditor reports to the board of trustees annually through the Finance, Resources, Audit and Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The scope of the internal auditor's work is agreed by the Finance, Resources, Audit and Risk committee and is informed by a risk-based review of key financial areas and by any changes to processes.

Review of Effectiveness

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

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

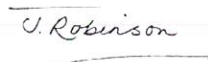
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Resources, Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2021 and signed on its behalf by:



IAN MOORE

I Moore
Chair of Trustees



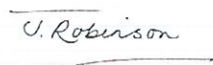
J Robinson
Accounting Officer

The Yorkshire Collaborative Academy Trust
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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



J Robinson
Accounting Officer

Date: 7 December 2021

The Yorkshire Collaborative Academy Trust

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who act as Governors of Yorkshire Collaborative 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 and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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; and
- 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 the 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 7 December 2021 and signed on its behalf by:



IAN MOORE

I Moore
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE COLLABORATIVE ACADEMY TRUST

Opinion

We have audited the financial statements of Yorkshire Collaborative Academy Trust (the 'Academy Trust') for the year ended 31 August 2021, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, the Statement of Accounting Policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021, and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE COLLABORATIVE ACADEMY TRUST (continued)

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 (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 Statement of Trustees' Responsibilities set out on page 11, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF YORKSHIRE COLLABORATIVE ACADEMY TRUST (continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- enquiring of the directors on procedures relating to their processes for identifying, evaluating and complying with laws and regulations and for detecting and responding to the risks of fraud;
- obtaining an understanding of the legal and regulatory frameworks applicable to the entity. The most significant considerations identified were the Companies Act 2006, employment tax legislation, employment law, health and safety and legislation concerning the provision of education (including related regulation by the Secretary of State for Education, the Department for Education, Education and Skills Funding Agency, and Ofsted); and
- discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas:
 - management override of controls; and
 - revenue recognition.

We designed and executed procedures in line with our responsibilities to detect material misstatements in respect of irregularities, including fraud. These procedures, together with the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- We made enquiries of management and reviewed correspondence with the relevant authorities to identify any irregularities or instances of non-compliance with laws and regulations and to identify any irregularities or instances of fraud;
- We tested the appropriateness of a sample of accounting journals;
- We reviewed the Trust's accounting policies for non-compliance with relevant accounting standards;
- We considered significant accounting estimates for evidence of misstatement; and
- We considered the appropriateness of the revenue recognition policies.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements. There are inherent limitations in the audit procedures performed not least due to the following:

- the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve deliberate concealment; and
- the further removed the non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 YORKSHIRE
COLLABORATIVE ACADEMY TRUST (continued)**

Use of our report

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



.....
Steven Williams FCA (Senior Statutory Auditor)
For and on behalf of Murray Harcourt Limited, Statutory Auditor

6 Queen Street
Leeds
LS1 2TW

Date: 16/12/2021

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

In accordance with the terms of our engagement letter dated 28 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Yorkshire Collaborative Academy Trust during the period from 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 Yorkshire Collaborative 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 Yorkshire Collaborative Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Yorkshire Collaborative Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Yorkshire Collaborative Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Yorkshire Collaborative Academy Trust's funding agreement with the Secretary of State for Education dated 30 April 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed, and income received during the period from 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.

The work undertaken to draw to our conclusion includes:

- Documenting the framework of authorities which govern the activities of the Academy Trust;
- Reviewing the evidence supporting the representations included in the Accounting Officer's statement on regularity, propriety and compliance with the framework of authorities;
- Undertaking a risk assessment based on our understanding of the general control environment and any weaknesses in internal control identified by our audit of the financial statements;
- Reviewing the output from a self-assessment questionnaire completed by the Academy Trust;
- Testing compliance with delegated authorities for a sample of material transactions;
- Testing transactions with connected parties to determine whether the Academy Trust has complied with the 'at cost' requirements of the Academies Financial Handbook 2020;
- Confirming through enquiry and sample testing that the Academy Trust has complied with its procurement policies and that these policies comply with the delegated authorities; and
- Reviewing any evidence of impropriety resulting from our work and determining whether it was significant enough to be referred to in our regularity report.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
REGULARITY TO THE YORKSHIRE COLLABORATIVE ACADEMY TRUST AND THE
EDUCATION AND SKILLS FUNDING AGENCY (continued)**

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 year ended 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.

Murray Harcourt Limited

Reporting Accountant
Murray Harcourt Limited

Date: 16/12/2021

The Yorkshire Collaborative Academy Trust
STATEMENT OF FINANCIAL ACTIVITIES
 Incorporating Income and Expenditure Account
 for the year ended 31 August 2021

	Notes	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	1	12	-	1,438	1,450	240
Incoming resources from charitable activities:						
Funding for the Academy Trust's educational operations	2	148	4,185	-	4,333	4,248
Teaching School	29	20	40	-	60	65
Other trading activities	3	16	58	-	74	14
Investment income	4	-	-	-	-	3
Total		196	4,283	1,438	5,917	4,570
EXPENDITURE ON:						
Charitable activities						
Academy Trust's educational operations	6	87	4,448	197	4,732	4,569
Teaching School	29	-	22	-	22	20
Total		87	4,470	197	4,754	4,589
NET INCOME/(EXPENDITURE)						
		109	(187)	1,241	1,163	(19)
Gross transfers between funds	16	64	-	(64)	-	-
OTHER RECOGNISED GAINS						
Actuarial losses on defined benefit pension scheme	27	-	(37)	-	(37)	(329)
NET MOVEMENT IN FUNDS						
		173	(224)	1,177	1,126	(348)
RECONCILIATION OF FUNDS						
Total funds brought forward		367	(2,314)	9,145	7,198	7,546
TOTAL FUNDS CARRIED FORWARD		540	(2,538)	10,322	8,324	7,198

All of the Academy Trust's activities derive from continuing operations during the above two financial periods.

The Yorkshire Collaborative Academy Trust
BALANCE SHEET
As at 31 August 2021

Registration number: 09668526

	Notes	2021 £'000	2021 £'000	2020 £'000	2020 £'000
FIXED ASSETS					
Tangible assets	12		9,519		8,965
CURRENT ASSETS					
Debtors	13	961		230	
Cash at bank and in hand	23	938		882	
		<u>1,899</u>		<u>1,112</u>	
CREDITORS: Amounts falling due within one year	14	<u>(415)</u>		<u>(475)</u>	
NET CURRENT ASSETS			1,484		637
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,003</u>		<u>9,602</u>
CREDITORS: Amounts falling due after more than one year	15		(20)		(14)
NET ASSETS EXCLUDING PENSION LIABILITY			<u>10,983</u>		<u>9,588</u>
Defined benefit pension scheme liability	27		<u>(2,659)</u>		<u>(2,390)</u>
TOTAL NET ASSETS			<u>8,324</u>		<u>7,198</u>
FUNDS OF THE ACADEMY TRUST:					
RESTRICTED FUNDS					
Fixed asset fund	16		10,322		9,145
General Fund	16		121		76
Pension reserve	16		<u>(2,659)</u>		<u>(2,390)</u>
TOTAL RESTRICTED FUNDS			<u>7,784</u>		<u>6,831</u>
UNRESTRICTED INCOME FUNDS	16		540		367
TOTAL FUNDS			<u>8,324</u>		<u>7,198</u>

The financial statements on pages 18 to 39 were approved by the Trustees and authorised for issue on 7 December 2020, and are signed on their behalf by:



IAN MOORE

I Moore
Chair of Trustees

The Yorkshire Collaborative Academy Trust
CASH FLOW STATEMENT
for the year ended 31 August 2021

	Notes	2021 £'000	2020 £'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash used in operating activities	20	(635)	21
CASH FLOWS FROM FINANCING ACTIVITIES	21	(6)	(2)
CASH FLOWS FROM INVESTING ACTIVITIES	22	697	(125)
		<hr/>	<hr/>
		56	(106)
CASH AND CASH EQUIVALENTS AT 1 SEPTEMBER 2020	23	<hr/> 882	<hr/> 988
CASH AND CASH EQUIVALENTS AT 31 AUGUST 2021	23	<hr/> 938	<hr/> 882

The Yorkshire Collaborative Academy Trust

STATEMENT OF ACCOUNTING POLICIES

for the year ended 31 August 2021

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 the ESFA, the Charities Act 2011 and the Companies Act 2006.

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

Going Concern

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

Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably. Probability of receipt means that it is more likely than not that the economic benefits associated with the transaction or gift will flow to the charity.

Grant receivable

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. Where entitlement occurs before income is received, the value of the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received the income is accrued.

Sponsorship Income

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

Donations

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

Other income

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

The Yorkshire Collaborative Academy Trust
STATEMENT OF ACCOUNTING POLICIES (continued)
for the year ended 31 August 2021

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Academy 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 Trust's policies.

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'.

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 Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Fund accounting

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the ESFA and DfE.

Restricted Fixed Asset Funds are resources which are to be applied to specific capital purposes imposed by ESFA, DfE and other funders, where the asset acquired or created is held for a specific purpose.

Intangible fixed assets

Intangible assets costing £2,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Computer software	33% per annum
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The Yorkshire Collaborative Academy Trust
STATEMENT OF ACCOUNTING POLICIES (continued)
for the year ended 31 August 2021

Tangible fixed assets

Tangible fixed assets costing £2,000 or more are capitalised at cost 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 lives. 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 to the restricted fixed asset fund in the Statement of Financial Activities to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold buildings	Over the remaining useful life 10-50 years
Fixtures, fittings and equipment	20% per annum
Computer equipment	33% per annum

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. Impairment losses are recognised in the Statement of Financial Activities.

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.

Debtors

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

Liabilities

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

Provisions

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

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

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 debt instruments measured at amortised cost as detailed in note 13. 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 note 14. Taxation and social security creditors are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

The Yorkshire Collaborative Academy Trust
STATEMENT OF ACCOUNTING POLICIES (continued)
for the year ended 31 August 2021

Taxation

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

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

Leased assets

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

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is 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 Academy Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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

Local Government Pension Scheme liability

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 different 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 27, 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.

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

1 DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
Capital grants	-	1,436	1,436	238
Capital donations	-	2	2	-
Other donations	12	-	12	2
	12	1,438	1,450	240

2 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
DfE/ESFA GRANTS				
General Annual Grant (GAG)	-	3,306	3,306	3,169
Other DfE/ESFA grants				
UIFSM	-	106	106	116
Pupil Premium	-	144	144	134
Other grants	-	305	305	263
	-	3,861	3,861	3,682
OTHER GOVERNMENT GRANTS				
SEN from Local Authority	-	55	55	56
Local Authority grants	-	117	117	128
Other grants	-	-	-	192
	-	172	172	376
OTHER INCOME				
Catering income	67	-	67	81
Academy trips	-	7	7	30
Other income	81	79	160	79
	148	86	234	190
COVID-19 ADDITIONAL FUNDING (DfE/EFSA)				
Catch-up premium	-	66	66	-
Other DfE/ESFA Covid-19 funding	-	-	-	-
	-	66	66	-
Total	148	4,185	4,333	4,248

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

3 OTHER TRADING ACTIVITIES

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
Income from lettings	16	-	16	14
Income from ancillary trading activities	-	58	58	-
	16	58	74	14

4 INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2021 Total £'000	2020 Total £'000
Bank Interest	-	-	-	3
	-	-	-	3

5 EXPENDITURE

	Staff costs £'000	Non Pay Expenditure		2021 Total £'000	2020 Total £'000
		Premises £'000	Other costs £'000		
Academy's educational operations:					
Direct costs	3,027	-	259	3,286	3,383
Allocated support costs	542	311	593	1,446	1,186
Teaching School	-	-	22	22	20
	3,569	311	874	4,754	4,589

	2021 £'000	2020 £'000
Net income/(expenditure) for the period includes:		
Operating leases	6	3
Depreciation	197	184
Fees payable to auditor for: Audit	11	9

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

6 CHARITABLE ACTIVITIES

	2021 £'000	2020 £'000
Direct costs – educational operations	3,286	3,383
Support costs – educational operations	1,446	1,186
	<u>4,732</u>	<u>4,569</u>

Analysis of support costs

	Educational operation £'000	2021 Total £'000	2020 Total £'000
Staff costs	542	542	330
Depreciation	197	197	184
Premises costs	311	311	261
Governance costs	58	58	11
Other support costs	338	338	400
Total support costs	<u>1,446</u>	<u>1,446</u>	<u>1,186</u>

Expenditure on the Academy Trust's educational operations amounted to £4,732,000 (2020: £4,569,000) of which £87,000 (2020: £214,000) was attributable to unrestricted and £4,645,000 (2020: £4,355,000) was attributable to restricted funds.

7 STAFF COSTS

	2021 £'000	2020 £'000
a. Staff costs		
Staff costs during the period were:		
Wages and salaries	2,522	2,391
Social security costs	220	204
Operating costs of defined benefit pension schemes	595	681
	<u>3,337</u>	<u>3,276</u>
Agency staff costs	39	113
Staff restructuring costs	-	21
	<u>3,376</u>	<u>3,410</u>
Staff restructuring costs comprise:		
Severance payments	-	21
	<u>-</u>	<u>21</u>

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

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2020: £20,838).

c. Staff numbers

The average number of persons employed by the Academy Trust during the period expressed as full-time equivalents was as follows:

	2021 No.	2020 No.
Charitable activities		
Teachers	95	94
Administration and support	24	22
Management	10	9
	<u>129</u>	<u>125</u>

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

7 STAFF COSTS (continued)

d. Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No.	2020 No.
£60,001 - £70,000	3	5

The above employees participated in the Teachers' Pension Scheme. Pension contributions for these staff amounted to £56,240 (2020: £62,263).

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees, the CEO, Finance Director and Development Director and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £660,329 (2020: £624,655).

8 CENTRAL SERVICES

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

- School Improvement Support;
- Financial services (Audit and accountancy);
- Human Resources and Payroll services;
- ICT Support for trust wide finance systems;
- Legal services and Compliance; and
- Insurance

The Academy Trust charges for these services on the basis of a 5.5% charge of each school's funding.

The actual amounts charged during the year were as follows:

	2021 £'000	2020 £'000
Bilton Grange Primary School	66	57
Askwith Primary School	35	25
Lothersdale Primary School	27	22
Hawes Primary School	23	21
Leyburn Primary School	45	39
Total	196	164

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

9 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 academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The values of Trustees’ remuneration and other benefits was as follows:

		2021	2020
		£000	£000
J Robinson, CEO	Remuneration	55-60	65-70
	Pension Contribution paid	5-10	15-20
D Parker, Trustee	Remuneration	0-5	35-40
	Pension Contribution paid	0-5	0-5

During the year ended 31 August 2021, travel and subsistence expenses amounting to £nil was reimbursed or paid directly to any Trustee (2020: £1,054 to 2 Trustees).

10 TRUSTEES’ AND OFFICERS’ INSURANCE

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

11 INTANGIBLE FIXED ASSETS

	Computer Software £’000	Total £’000
Cost		
At 1 September 2020	15	15
Additions	-	-
Transfers	-	-
At 31 August 2021	<u>15</u>	<u>15</u>
Depreciation		
At 1 September 2020	15	15
Charged in year	-	-
At 31 August 2021	<u>15</u>	<u>15</u>
Net book values		
At 31 August 2021	<u>-</u>	<u>-</u>
At 31 August 2020	<u>-</u>	<u>-</u>

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

12 TANGIBLE FIXED ASSETS

	Land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures and equipment £'000	2020 Total £'000
Cost					
At 1 September 2020	9,368	139	57	74	9,638
Additions	92	657	2	-	751
Transfers	794	(793)	-	(1)	-
At 31 August 2021	10,254	3	59	73	10,389
Depreciation					
At 1 September 2020	591	-	37	45	673
Charged in year	176	-	12	9	197
At 31 August 2021	767	-	49	54	870
Net book values					
At 31 August 2021	9,487	3	10	19	9,519
At 31 August 2020	8,777	139	20	29	8,965

13 DEBTORS

	2021 £'000	2020 £'000
Trade debtors	19	9
Other debtors	34	127
Prepayments and accrued income	908	94
	961	230

14 CREDITORS: Amounts falling due within one year

	2021 £'000	2020 £'000
Trade creditors	168	153
Other creditors	-	62
Other Loans	2	2
Other Taxation and social security	-	48
Accruals and deferred income	245	210
	415	475
Deferred income		
	2021 £'000	2020 £'000
Deferred income at 31 August 2020	185	77
Resources deferred in the year	80	185
Amounts released from previous years	(185)	(77)
Deferred income at 31 August 2021	80	185

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

15	CREDITORS: Amounts falling due after more than one year	2021	2020
		£'000	£'000
	Other Loans	<u>20</u>	<u>14</u>
		20	14

Included within creditors due within one year is £2,000 (2020: £2,000) and in creditors due more than one year £20,000 (2020: £14,000) in respect of Salix loans from the ESFA. The loans are interest free and both are repayable over the next 5 years.

16 FUNDS

	Balance at 1 September 2020 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	-	3,306	(3,205)	(58)	43
UIFSM	-	106	(106)	-	-
Pupil Premium	-	144	(144)	-	-
Catch-up premium	-	66	(66)	-	-
Other Covid-19 funding	-	-	-	-	-
Teaching School	25	40	(22)	-	43
SCITT	38	4	(7)	-	35
Other Grants	13	473	(544)	58	-
Other restricted	-	144	(144)	-	-
	<u>76</u>	<u>4,283</u>	<u>(4,238)</u>	<u>-</u>	<u>121</u>
Pension reserve	(2,390)	-	(232)	(37)	(2,659)
	<u>(2,314)</u>	<u>4,283</u>	<u>(4,470)</u>	<u>(37)</u>	<u>(2,538)</u>
Restricted fixed asset funds					
Transferred on conversion	8,085	-	(128)	-	7,957
DfE/ESFA capital grants	1,019	1,436	(60)	(64)	2,331
Donations	-	2	-	-	2
Capital expenditure from other funds	19	-	(7)	-	12
Private sector capital sponsorship	22	-	(2)	-	20
	<u>9,145</u>	<u>1,438</u>	<u>(197)</u>	<u>(64)</u>	<u>10,322</u>
Total restricted funds	<u>6,831</u>	<u>5,721</u>	<u>(4,667)</u>	<u>(101)</u>	<u>7,784</u>
Total unrestricted funds	<u>367</u>	<u>196</u>	<u>(87)</u>	<u>64</u>	<u>540</u>
Total funds	<u>7,198</u>	<u>5,917</u>	<u>(4,754)</u>	<u>(37)</u>	<u>8,324</u>

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

16 FUNDS (continued)

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

- (i) Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the GAG that it could carry forward at 31 August 2021.
- (ii) Local Authority funding was received in the current year. This is restricted for provision of SEN and early years.
- (iii) The pension reserve relates to the pension deficit for the Local Government Pension Scheme (LGPS).
- (iv) Funding for the Teaching School and SCITT are funding for the teaching school and teacher training with relevant expenditure allocated against this income.
- (v) Restricted fixed asset funds are resources which are to be applied to specific capital purposes

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

	Balance at 1 September 2019 £'000	Incoming resources £'000	Resources expended £'000	Transfers in/out £'000	Gains, losses & transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds						
General Annual Grant (GAG)	-	3,169	(3,150)	(19)	-	-
UIFSM	-	116	(116)	-	-	-
Pupil Premium	-	134	(134)	-	-	-
Teaching School	-	40	(15)	-	-	25
SCITT	2	192	(156)	-	-	38
Other restricted	13	447	(447)	-	-	13
	15	4,098	(4,018)	(19)	-	76
Pension reserve	(1,893)	-	(168)	-	(329)	(2,390)
	(1,878)	4,098	(4,186)	(19)	(329)	(2,314)
Restricted fixed asset funds						
Transfer on conversion	8,213	-	(128)	-	-	8,085
DfE/ESFA capital grants	813	238	(32)	-	-	1,019
Capital expenditure from unrestricted funds	-	-	-	19	-	19
Private sector capital sponsorship	46	-	(24)	-	-	22
	9,072	238	(184)	19	-	9,145
Total restricted funds	7,194	4,336	(4,370)	-	(329)	6,831
Total unrestricted funds	352	234	(219)	-	-	367
Total funds	7,546	4,570	(4,589)	-	(329)	7,198

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

16 FUNDS (continued)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 Total £'000	2020 Total £'000
Bilton Grange	78	57
Askwith	186	154
Lothersdale	81	52
Hawes	92	38
Leyburn	40	27
Central Services	184	115
Total before fixed assets and pension reserve	661	443
Restricted fixed asset fund	10,322	9,145
Pension reserve	(2,659)	(2,390)
Total	8,324	7,198

Total cost analysis by academy

Expenditure incurred by each academy during the year (or part thereof) was as follows:

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding Dep'n) £'000	2021 Total £'000
Bilton Grange (includes SCITT)	1,098	79	59	324	1,560
Askwith (includes teaching school)	452	25	37	164	678
Lothersdale	379	32	45	136	592
Hawes	311	52	24	91	478
Leyburn	702	77	43	182	1,004
Central Service	79	90	2	77	248
Academy Trust	3,021	355	210	974	4,560

17 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 2021 £'000
Tangible fixed assets	-	-	9,519	9,519
Current assets	505	452	942	1,899
Creditors due within one year	-	(276)	(139)	(415)
Creditors due in more than one year	-	(20)	-	(20)
Pension scheme liability	-	(2,659)	-	(2,659)
Total net assets	505	(2,503)	10,322	8,324

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

17 ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

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

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds 2020 £'000
Tangible fixed assets	-	-	8,965	8,965
Current assets	840	76	196	1,112
Creditors due within one year	(473)	-	(2)	(475)
Creditors due in more than one year	-	-	(14)	(14)
Pension scheme liability	-	(2,390)	-	(2,390)
Total net assets	367	(2,314)	9,145	7,198

18 CAPITAL COMMITMENTS

	2021 £'000	2020 £'000
Contracted for, but not provided in the financial statements	<u>755</u>	<u>688</u>

19 COMMITMENTS UNDER OPERATING LEASES

OPERATING LEASES

At 31 August 2021 the total of the Academy Trusts' future minimum lease payments under non-cancellable operating leases was as follows:

	2021 £'000	2020 £'000
Other		
Expiring within one year	3	7
Expiring within two and five years inclusive	<u>2</u>	<u>2</u>
	<u>5</u>	<u>9</u>

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

20	RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES	2021	2020
		£'000	£'000
	Net expenditure for the reporting period	1,163	(19)
	Depreciation (note 12)	197	184
	Capital grants from DfE and other capital income	(1,436)	(240)
	Interest receivable (note 4)	-	(3)
	Pension cost less contributions payable (note 27)	193	133
	Pension finance income (note 27)	39	35
	Increase in debtors	(731)	(91)
	Increase in creditors	(60)	22
	Net cash provided by Operating Activities	(635)	21
21	CASH FLOW FROM FINANCING ACTIVITIES	2021	2020
		£'000	£'000
	Repayment of borrowing	(6)	(2)
	Net cash outflow from returns on investment and servicing of finance	(6)	(2)
22	CASH FLOW FROM INVESTING ACTIVITIES	2021	2020
		£'000	£'000
	Purchase of tangible fixed assets	(751)	(368)
	Capital grants from DfE/ESFA	1,436	238
	Dividends, Interest and rent from Investments	-	3
	Capital funding received from sponsors and others	12	2
	Net cash inflow from capital expenditure and financial investment	697	(125)
23	ANALYSIS OF CASH AND CASH EQUIVALENTS	2021	2020
		£'000	£'000
	Cash in hand and at bank	938	882
		938	882
24	ANALYSIS OF CHANGES IN NET FUNDS		
		At 1	At 31
		September	August
		2020	2021
		£'000	£'000
	Cash at bank and in hand	882	938
	Net funds	882	938
26	MEMBERS' LIABILITY		
	Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.		

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

27 PENSION AND SIMILAR OBLIGATIONS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pensions Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £586,000 (2020: £374,000).

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.

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

27 PENSION AND SIMILAR OBLIGATIONS (continued)

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 £222,000 (2020: £214,000), of which employer's contributions totalled £179,000 (2020: £171,000) and employees' contributions totalled £43,000 (2020: £43,000). The agreed contribution rates for future years are 16.6% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions	At 31 August 2021	At 31 August 2020
Rate of increase in salaries	3.85%	3.55%
Rate of increase for pensions	2.60%	2.30%
Discount rate for scheme liabilities	1.70%	1.70%
Inflation assumption (CPI)	2.60%	2.30%
Commutation of pensions to lump sums	75.00%	75.00%

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	24.0	23.9
<i>Retiring in 20 years</i>		
Males	23.6	23.5
Females	25.8	25.7

Sensitivity analysis

The approximate impact of changing key assumptions on the present value of the funded defined benefit pension obligation is detailed below. In each case, only the assumption listed is altered; all other assumptions remain unchanged. A positive value represents an increase in the defined benefit pension obligation:

	At 31 August 2021 £'000	At 31 August 2020 £'000
Discount rate +0.1%	4,676	3,940
Discount rate -0.1%	4,921	4,146
Mortality assumption – 1 year increase	4,619	3,896
Mortality assumption – 1 year decrease	4,978	4,191
CPI rate +0.1%	4,815	4,130
CPI rate -0.1%	4,777	3,956

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

27 PENSION AND SIMILAR OBLIGATIONS (continued)

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

	Fair value at 31 August 2021 £'000	Fair value at 31 August 2020 £'000
Equities	1,289	978
Government bonds	306	330
Property	130	109
Cash	36	59
Other	288	175
Corporate bonds	88	-
Total market value of assets	2,137	1,651
Present value of scheme liabilities		
- Funded	(4,796)	(4,041)
Deficit in the scheme	(2,659)	(2,390)

The actual return on scheme assets was £303,000 (2020: gain of £145,000).

Amounts recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	372	(304)
Past service cost	-	-
Pension finance cost	39	(35)
Total amount recognised in the SOFA	411	(339)

The actuarial gains and losses for the current year are recognised in the Statement of Financial Activities. The cumulative amount of actuarial gains and losses recognised in the Statement of Financial Activities is a loss of £37,000 (2020: £329,000).

Changes in the present value of defined benefit obligations were as follows:	2021 £'000	2020 £'000
Opening defined benefit obligation	4,041	3,243
Current service cost	372	304
Interest cost	69	62
Employee contributions	43	43
Actuarial loss	310	447
Benefits paid	(39)	(58)
Past service cost	-	-
At 31 August	4,796	4,041

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

Brought forward	1,651	1,350
Interest income	30	27
Actuarial gain	273	118
Employer contributions	179	171
Employee contributions	43	43
Benefits paid	(39)	(58)
At 31 August	2,137	1,651

The Yorkshire Collaborative Academy Trust
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2021

27 PENSION AND SIMILAR OBLIGATIONS (continued)

The estimated value of employer contributions for the year ended 31 August 2021 is £194,000.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education.

28 RELATED PARTIES

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

During the year, 1 (2020: 2) employee of the trust is a spouses/partners of trustees who acted during the year. The employment contracts pre-date the conversion of the schools to academies and therefore the spouses/partners were not involved in the decision making process regarding their appointment. The employee is paid within the normal pay scale and do not receive special treatment as a result of their relationship to a trustee.

Apart from the above no related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

29 Teaching school trading account

	2021 £'000	2020 £'000
Income		
Teaching school income	60	65
Total income	<u>60</u>	<u>65</u>
Expenditure		
Direct Expenditure		
Direct staff costs	-	(15)
Other expenditure		
Other support costs	(22)	(5)
Total expenditure	<u>(22)</u>	<u>(20)</u>
Surplus from all sources	38	45
Teaching school balance at 1 September 2020	169	124
Teaching school balance at 31 August 2021	<u>207</u>	<u>169</u>