

Yorkshire Collaborative Academy Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2019

Company Registration Number:
09668526 (England and Wales)

Yorkshire Collaborative Academy Trust

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Yorkshire Collaborative Academy Trust

Reference and Administrative Details

Members

S Root
L Pugh
P Laurence
G Grodzki (appointed 10 Dec 2018)
G Osborne (appointed 10 Dec 2018)

Trustees

I Moore
D Parker (CEO)
J Baynes
E Nicholson
P Barrett (resigned 6th September 2019)
J Robinson (Headteacher trustee)
F Jones (appointed 7 Oct 2019)
R Gook (resigned 11 December 2018)

Senior Management Team:

CEO

D Parker

CFO

J O'Gara

Clerk to Trustees

S King

School Improvement Leadership Group

J Ratcliffe
J Robinson
R Street
E Nayler
H Vasey
S Beveridge
L Longford

Company Name:

Yorkshire Collaborative Academy Trust

Principal and Registered Office:

Bilton Grange School
Bilton Lane
Harrogate HG1 3BA

Company registration number:

09668526 (England and Wales)

Independent Auditor:

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

Yorkshire Collaborative Academy Trust

Reference and Administrative Details

Bankers:

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

Solicitors

Stone King LLP
1 Aire St
Leeds
LS1 4PR

Yorkshire Collaborative Academy Trust

Chairman's Statement

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

Our fourth year of operation as a multi academy trust has focused on embedding innovative and collaborative approaches to school improvement and developing a strong, knowledge based curriculum in line with the new Ofsted Framework.

Strong governance and good communication are vital in ensuring we find the best ways to meet the needs of all the children in our trust. During the year, we have further developed communications between governance at school and trust level.

We look forward to the coming year, confident that we have now built a resilient and successful trust and are well placed for our plans to grow the trust.

Chief Executive Officer's Review of the Year

This has been a challenging year for all schools with the implementation of the new knowledge rich curriculum for primary schools. YCAT schools are in a strong position to deliver a high quality new curriculum because of the huge commitment schools have made working in collaborative partnership producing and sharing new materials. Our schools continue to show ambition and drive to improve outcomes for all groups of pupils and overall standards remain high.

Collaborative learning is the key driver in our school's continuous improvement. This is achieved through our network meetings, joint training days, impact meetings and joint school reviews.

We nurture and develop leaders in all of our schools and their expertise is vital in our Trust's success. This was highlighted in the recent good OFSTED judgement for our sponsored school Hawes Primary that was in special measures three years ago. This has been a great achievement for everyone at Hawes Primary School.

Staff at all levels in the trust work together and we hold regular cross network trust meetings and training. We recognise that our staff are our greatest asset and I would like to thank our staff, governors and trustees for all their hard work and support during the year.

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2018 to 31 August 2019. 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 876 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 3.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, 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. The candidate will then be presented to the Board of Trustees who will vote on whether to accept them. All new trustees will be required to complete an Enhanced Disclosure (through the Disclosure Barring Service) before the selection is confirmed.

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 50+ online modules developed by the National Governance Association.

Organisational Structure

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 the Multi Academy Trust (MAT)
- Strategically planning with leaders the development of the MAT
- Monitoring and evaluating the progress of the MAT'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 the MAT.

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

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (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. £1,236 was paid which represents 0.04% of pay bill.

Related parties and other connected charities and organisations

Askwith School is the lead school for the Harrogate and Rural Teaching Alliance (HART) which includes about 50 members and the accounts for HART are included within YCAT. HART supports initial teacher training, school improvement, continuing professional development, leadership development and succession planning and research and development.

The HART of Yorkshire School Centred Initial Teacher Training (SCITT) is also part of YCAT and provides initial teacher training to graduates. During the year, 15 graduates were trained through the HART of Yorkshire SCITT.

Objectives, Strategies and Activities

The key strategic priorities for the fourth year of operation were to:

- Develop a broad and balanced knowledge rich curriculum across our schools
- Identify, research and evaluate key focus areas for new approaches
- Continue to focus on outcomes at all levels
- Continue to develop estates management capacity and apply for CIF funding for all schools
- Promote YCAT through various targeted marketing initiatives
- Promote YCAT school improvement services and specialist academy expertise
- Build relationships with prospective schools
- Maintain dialogue with DfE over sponsored schools
- Develop and embed Sharepoint as a communication and collaboration tool across YCAT
- Further develop principles to make YCAT a 'employer of choice'
- Further develop governance systems, structures and support to governors to meet the needs of the trust as we grow.

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (continued)

The YCAT schools have a strong history of collaboration both informally and through the HART Teaching School Alliance. The move to multi academy trust has further strengthened this collaboration and our structured, cross school approach to school improvement now has a proven track record of impact on pupil outcomes.

Our 'back office' functions including finance, HR, governance and estates management now ensure that our trust schools are well supported in a cost effective manner and we are in a strong position to grow.

We provide services to other schools through our teaching school and have supported a number of schools this year. We continue to provide outstanding 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. We are recognised by the Regional Schools Commissioner as an example of a strong primary MAT supporting rural schools and they have sought our advice and input on a number of projects.

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.

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (continued)

Strategic Report

Achievements and Performance

The Trust has achieved strong performance against its aims and objectives in its fourth year of operation.

Key Performance Indicators

Performance of schools at the end of KS2 in 2019 continues to be strong. The main challenge for trustees is to continue to improve the progress of pupils from high attaining starting points. The table below shows the Key Stage 2 results for this year and last.

ES= Achieved expected standard

GD= Achieved greater depth standard

	Askwith		Bilton Grange		Hawes		Leyburn		Lothersdale		National Average	
	ES	GD	ES	GD	ES	GD	ES	GD	ES	GD	ES	GD
2018												
Reading	90%	20%	91%	36%	69%	13%	59%	26%	100%	56%	73%	27%
GPS	95%	50%	85%	22%	81%	13%	74%	37%	100%	69%	78%	36%
Maths	100%	50%	89%	28%	75%	13%	74%	19%	100*	88%	79%	27%
Writing	95%	40%	90%	78%	88%	13%	81%	44%	94%	50%	78%	20%
RWM	90%	10%	83%	65%	56%	6%	59%	7%	94%	50%	65%	11%
2018												
Reading	100%	77%	86%	42%	69%	38%	80%	40%	74%	27%	75%	28%
GPS	92%	69%	86%	21%	69%	31%	74%	31%	93%	40%	78%	34%
Maths	92%	54%	93%	37%	85%	23%	80%	29%	93%	60%	76%	24%
Writing	92%	62%	89%	33%	85%	23%	89%	31%	93%	40%	78%	20%
RWM	92%	46%	81%	21%	62%	23%	74%	20%	74%	27%	64%	10%

Fundraising

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

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (continued)

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 2019 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 the actuarial loss and the impact of the McCloud case.

Net movement in funds was a deficit of £145,000 (2019: surplus £99,000), with net assets at 31 August 2019 of £7,546,000 (2018: £7,691,000).

The reserves position at 31 August 2019 is as follows: Restricted funds excluding pension reserve £9,087,000 (2018: £8,531,000), unrestricted funds (General fund) £352,000 (2018: £447,000).

The net assets at the end of the year were £7,546,000 (2018 £7,592,000)

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 31st August 2019 was £345,000. 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 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 established a robust risk management process across the Trust. This has highlighted 4 major risks at this point:

Future funding levels

The main risk to the trust going forward is uncertainty about funding levels, with rising costs. The implementation of the National Funding Formula is welcome. However, the transitional implementation means that funding to our schools still remains well below the national average. Teacher pay rises and pension cost rises have been part funded through additional DfE grants but these are not all guaranteed for subsequent years. 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 the school budgets, particularly at Bilton Grange school.

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (continued)

The trustees have put in place measures to reduce costs including review and renewal of key contracts for services. Additionally, we have carried out a review of curriculum costs at each school and made savings where appropriate. Trustees will continue to monitor financial performance to ensure the Trust remains in a strong financial position.

Failure to meet legal and statutory obligations

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

- establishment and implementation of appropriate policies
- ongoing review of any developments impacting schools
- support from specialists including health and safety, finance, legal and HR under service level agreements
- Introduction of a new central role focused on governance and compliance

Decline in results

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

Mitigating actions include:

- Focus of the School Improvement Leadership Group on continuous improvement in teaching and learning
- Prioritisation on key areas for development using school funding

Plans for Future Periods

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

- Improving pupil outcomes
- YCAT growth and further developing our trust-wide learning community
- Financial and Commercial effectiveness
- Developing strong leadership and governance
- Developing our employees

To improve pupil outcomes, key priorities have been agreed both at the school and trust level and are being implemented through the school development plans. This includes implementation of new teaching strategies in light of Ofsted's new focus on a broad, knowledge based curriculum. We are planning measured growth this year through further collaborative work with other trusts and a possible further sponsorship of a trust. The focus under financial and commercial effectiveness is the renegotiation of contracts for services with the aim of achieving better value for money.

Work is ongoing to further strengthen governance at all levels including embedding new processes and training. Our employees are key to the success of the trust. With changes in curriculum and increased budget constraints, we recognise the pressure our staff are under. Health and wellbeing continues to be a key priority for our coming year.

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, 10th December 2019 and signed on the board's behalf by:

I Moore
Chair of Trustees
10/12/2019

Yorkshire Collaborative Academy Trust

Trustees' Report for the year ended 31 August 2019 (continued)

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:

Trustee	Meetings attended	Out of a possible
Ian Moore	4	4
Roger Gook	0	1
Don Parker (CEO)	3	4
Jenny Baynes	2	4
Emma Nicholson	4	4
Paul Barrett	2	4
Jo Robinson	4	4

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

- Maintaining robust processes for recruitment of trustees and governors based on particular skills needed
- Review of structure and role of Local Governing Bodies – with better communication between LGBs and the Trust Board
- Review and update of the YCAT Accountabilities Framework
- Standard agendas for meetings at both Trust and Local Governing Body level where possible
- Access for all trustees and local governors to Office 365 Sharepoint to ensure better sharing and storage of information and compliance with GDPR
- Development and release of bespoke online training programmes for governors and trustees.

Yorkshire Collaborative Academy Trust

Governance Statement (continued)

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:

Trustee	Meetings attended	Out of a possible
Don Parker (CEO)	2	4
Ian Moore	4	4
Jenny Baynes	3	4
Emma Nicholson	4	4

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.

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:

- Implementation of savings in premises costs and 5 successful applications for CIF funding facilitated by the development of an in house estates management capability
- Reprocurement of broadband contract resulting in considerable savings
- Moving cleaning in-house in one school
- Making alternative arrangements for staff absence insurance cover

Refocus of central team roles resulting in staffing savings

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 2018 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 31st August 2019 up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Yorkshire Collaborative Academy Trust

Governance Statement (continued)

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. In particular the checks carried out in the current period included:

- Review of income streams for the HART teaching school alliance and HART of Yorkshire SCITT.

No material controls issues were identified.

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.

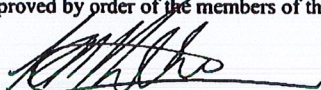
Review of Effectiveness

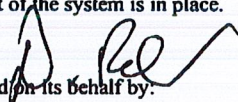
As accounting officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- 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 10th December 2019 and signed on its behalf by:


I Moore
Chair of Trustees


D Parker
Accounting Officer

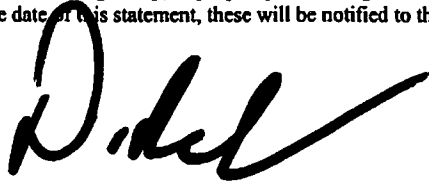
Yorkshire Collaborative Academy Trust

Statement of 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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2018.

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



D Parker
Accounting Officer
10 December 2019

Yorkshire Collaborative Academy Trust

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial 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 the incoming resources and application of resources, including its income and expenditure. In preparing these financial statements, the trustees are required to:

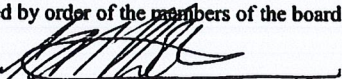
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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 to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education & Skills Funding Agency and Department for Education 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 10 December 2019 and signed on its behalf by:


I Moore
Chair of Trustees

Independent Auditor's Report to the Members of Yorkshire Collaborative Academy Trust for the year ended 31st August 2019

Opinion

We have audited the financial statements of Yorkshire Collaborative Academy Trust (the 'academy trust') for the year ended 31 August 2019 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law 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 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & 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 may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the 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 trustees' annual report, other than the financial statements and our auditor's report thereon. Other information includes the trustees' report (incorporating the strategic report and the directors' report), the governance statement, and the Accounting Officer's statement. 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.

Independent Auditor's Report to the Members of Yorkshire Collaborative Academy Trust for the year ended 31st August 2019 (continued)

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.

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 trustees' responsibilities statement set out on page 16 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.

Independent Auditor's Report to the Members of Yorkshire Collaborative Academy Trust for the year ended 31st August 2019 (continued)

Auditor's responsibilities for the audit of the financial statements

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


As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Susan Seaman BA FCA CIOT (Senior Statutory Auditor)
For and on behalf of
Sagars Accountants Ltd
Chartered accountant & statutory auditor
Gresham House
5-7 St Paul's Street
Leeds
LS1 2JG

10 December 2019

Yorkshire Collaborative Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Yorkshire Collaborative Academy Trust Limited and the Education Funding Agency

In accordance with the terms of our engagement letter dated 23 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, 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 1 September 2018 to 31 August 2019 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 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 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 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 23 July 2015 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw our conclusions includes:

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

Yorkshire Collaborative Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Yorkshire Collaborative Academy Trust Limited and the Education 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 period 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant
Sagars Accountants Ltd
5-7 St Paul's Street
Leeds
LS1 2JG

10th December 2019

Yorkshire Collaborative Academy Trust
Statement of Financial Activities
For the year ended 31 August 2019
(including Income and Expenditure Account)

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2019	Total 2018
	Note	£000	£000	£000	£000	£000
Income and endowments from:						
Donations and capital grants	2	8	-	705	713	127
Transfer from local authority on conversion		-	-	-	-	-
Charitable activities:						
Funding for the academy trust's educational operations	3	291	3,825	-	4,116	4,090
Teaching Schools	3,29	20	40	-	60	80
Other trading activities	4	16	-	-	16	15
Investments	5	5	-	-	5	2
Total		340	3,865	705	4,910	4,314
Expenditure on:						
Raising funds		-	-	-	-	-
Charitable activities:						
Academy trust educational operations	6	410	3,993	160	4,563	4,384
Teaching Schools	6,29	25	40	-	65	72
Other		-	-	-	-	-
Total		435	4,033	160	4,628	4,456
Net income / (expenditure)		(95)	(168)	545	282	(142)
Transfers between funds	16	-	(7)	7	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	24	-	(427)	-	(427)	241
Net movement in funds		(95)	(602)	552	(145)	99
Reconciliation of funds						
Total funds brought forward		447	(1,276)	8,520	7,691	7,592
Total funds carried forward		352	(1,878)	9,072	7,546	7,691

Yorkshire Collaborative Academy Trust

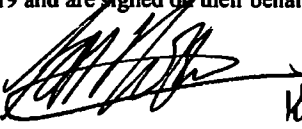
Balance Sheet

as at 31 August 2019

Company Number 09668526

	Notes	2019 £000	2019 £000	2018 £000	2018 £000
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		8,781		8,479
Current assets					
Debtors	14	139		124	
Cash at bank and in hand		988		915	
		<u>1,127</u>		<u>1,039</u>	
Liabilities					
Creditors: Amounts falling due within one year	15	(454)		(540)	
Net current assets			<u>673</u>		<u>499</u>
Total assets less current liabilities			9,454		9,028
Creditors: Amounts falling due after more than one year	15		(15)		-
Net assets excluding pension liability			<u>9,439</u>		<u>9,028</u>
Defined benefit pension scheme liability	24		(1,893)		(1,287)
Total assets			<u>7,546</u>		<u>7,592</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	16	9,072		8,520	
Restricted income fund	16	15		11	
Pension reserve	16	(1,893)		(1,287)	
Total restricted funds			7,194		7,244
Unrestricted income funds	16		352		447
Total funds			<u>7,546</u>		<u>7,691</u>

The financial statements on pages 22 to 47 were approved by the trustees and authorised for issue on 10th December 2019 and are signed on their behalf by


 18/12/2019
I Moore
 Chair of Trustees

Yorkshire Collaborative Academy Trust
Statement of Cash Flows
for the year ended 31 August 2019

	Notes	2019 £000	2018 £000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	18	(192)	65
Cash flows from investing activities	20	248	2
Cash flows from financing activities	19	17	-
Change in cash and cash equivalents in the reporting period		<u>73</u>	<u>67</u>
Cash and cash equivalents at 1 September 2018		915	848
Cash and cash equivalents at the 31 August 2019	21	<u>988</u>	<u>915</u>

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019

1 Statement of accounting policies

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

Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by 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.

- **Grants**

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

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

Capital grants are recognised in full when there is unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance 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.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

1 Statement of accounting policies (continued)

- **Donations**
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other Income**
Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.
- **Donated goods, facilities and services**
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Donated fixed assets**
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

1 Statement of accounting policies (continued)

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:

- Purchased computer software 33.33%

Tangible Fixed Assets

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

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

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

- Long leasehold buildings 2% - 10%
- Furniture and equipment 20%
- Computer Equipment 33.33%

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

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

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

1 Statement of accounting policies (continued)

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.

Leased Assets

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

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.

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

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

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

1 Statement of accounting policies (continued)

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.

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 23, 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.

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

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.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

1 Statement of accounting policies (continued)

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

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000	2018 £000
Capital Grants	-	705	705	121
Donations	8	-	8	6
	<u>8</u>	<u>705</u>	<u>713</u>	<u>127</u>
2018	<u>6</u>	<u>121</u>	<u>127</u>	

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000	2018 £000
DfE / EFA grants				
General Annual Grant (GAG)	-	3,136	3,136	3,033
Universal Free School Meals	-	129	129	122
Pupil Premium	-	123	123	102
Sports Grant	-	87	87	87
Teaching School Grants	-	40	40	40
Graduate Teacher Programme Funds	-	-	-	8
Other DfE/EFA grants	-	40	40	67
	<u>-</u>	<u>3,555</u>	<u>3,555</u>	<u>3,459</u>
Other Government grants				
Early years funding	-	94	94	141
SEN Funding	-	66	66	75
Teaching School Grants	-	-	-	11
Graduate Teacher Programme Funds	-	150	150	157
Other local authority grants	-	-	-	6
	<u>-</u>	<u>310</u>	<u>310</u>	<u>390</u>
Other income from the academy trust's educational operations	311	-	311	321
	<u>311</u>	<u>3,865</u>	<u>4,176</u>	<u>4,170</u>
2018	<u>329</u>	<u>3,841</u>	<u>4,170</u>	

4 Other Trading Activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000	2018 £000
Rent Receivable	16	-	16	15
	<u>16</u>	<u>-</u>	<u>16</u>	<u>15</u>
2018	<u>15</u>	<u>-</u>	<u>15</u>	

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

5 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2019 £000	2018 £000
Bank interest	5	-	5	2
	<u>5</u>	<u>-</u>	<u>5</u>	<u>2</u>
2018	<u>2</u>	<u>-</u>	<u>2</u>	

6 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2019 £000	2018 £000
		Premises £000	Other £000		
Expenditure on raising funds	-	-	-	-	2
Academy's educational operations:					
- Direct costs	2,980	-	345		
- Allocated support costs	318	264	656	1,238	1,369
Teaching School	51	-	14	65	72
	<u>3,349</u>	<u>264</u>	<u>1,015</u>	<u>4,628</u>	<u>4,456</u>
2018	<u>3,113</u>	<u>282</u>	<u>1,061</u>	<u>4,456</u>	

Net income/(expenditure) for the period includes:

	2019 £000	2018 £000
Operating lease rentals	5	5
Depreciation	160	142
Amortisation of intangible fixed assets (included within Charitable Activities – Academy trust educational operations)	-	5
Fees payable to auditor for:		
- audit	9	10

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

7 Charitable activities

	2019	2018
	£000	
Direct costs – educational operations	3,123	3,015
Support costs – educational operations	1,238	1,369
	4,361	4,384

Analysis of support costs	Educational	Total	
	operations	2019	2018
	£000	-----	-----
Support staff costs	285	285	312
Depreciation	160	160	147
Technology costs	35	35	48
Premises costs	264	264	263
Other support costs	479	479	587
Governance costs	15	15	12
Total support costs	1,238	1,238	1,369

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

8 Staff

a. Staff costs

Staff costs during the period were:

	2019	2018
	£000	£000
Wages and salaries	2,442	2,300
Social security costs	205	193
Operating costs of defined benefit pension schemes	572	480
	<u>3,219</u>	<u>2,973</u>
Supply staff costs	97	
Staff restructuring costs	-	-
	<u>3,316</u>	<u>3,064</u>

b. Non statutory/non contractual staff severance payments

Included in staff costs there were no non-statutory severance payment totalling £nil (2018: £nil).

c. Staff numbers

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

	2019	<i>Restated</i> 2018
	No.	No.
Teachers	99	109
Administration and support	21	23
Management	9	^
	<u>129</u>	<u>140</u>

d. Higher paid staff

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

	2019	2018
	No.	No.
£60,001 - £70,000	<u>3</u>	<u>2</u>

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £592,316 (2018: £517,817) for the period ending 31st August 2019.

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

9 Central Services

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

- School Improvement
- Finance
- HR
- Payroll
- ICT support for trust wide finance systems

The trust charges for these services on the basis of 5% of GAG and Early Years Funding. The actual amounts charged during the year were as follows:

	2019	2018
	£000	£000
Bilton Grange	24	39
Askwith	56	17
Lothersdale	22	15
Hawes	38	15
Leyburn	22	25
	162	111

10 Related Party Transactions – Trustees’ remuneration and expenses

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

The value of trustees’ remuneration and other benefits was as follows:

J Robinson (Headteacher and trustee):

Remuneration £65,000 - £70,000 (2018: £65,000 - £70,000)

Employer’s pension contributions paid £10,000 - £15,000 (2018: £5,000 - £10,000)

D Parker (CEO/Executive Headteacher and trustee):

Remuneration £35,000 - £40,000 (2018: £35,000 - £40,000)

Employer’s pension contributions paid £nil - £5,000 (2018: £nil - £5,000)

During the period ended 31 August 2019, travel and subsistence expenses totalling £1,879 (2018: £1,670) were reimbursed or paid directly to 2 trustees.

Other related party transactions involving the trustees are set out in note 24.

11 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 omission occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

12 Intangible fixed assets

	Computer Software	Total
	£000	£000
Cost		
At 1 September 2018	15	15
Additions	-	-
At 31 August 2019	<u>15</u>	<u>15</u>
Amortisation		
At 1 September 2018	15	15
Charged in year	-	-
At 31 August 2019	<u>15</u>	<u>15</u>
Carrying amount		
At 31 August 2018	<u>-</u>	<u>-</u>
At 31 August 2019	<u>-</u>	<u>-</u>

13 Tangible fixed assets

	Leasehold Land and Buildings	Furniture and Equipment	Computer Hardware	Total
	£000	£000	£000	£000
Cost				
At 1 September 2018	8,739	44	27	8,810
Transferred on conversion	-	-	-	-
Additions	422	27	13	462
Disposals	(2)	-	-	(2)
At 31 August 2019	<u>9,159</u>	<u>71</u>	<u>40</u>	<u>9,270</u>
Depreciation				
At 1 September 2018	297	17	17	331
Charged in year	139	-	8	156
Disposals	(2)	-	-	(2)
At 31 August 2019	<u>434</u>	<u>30</u>	<u>25</u>	<u>489</u>
Net book values				
At 31 August 2018	<u>8,442</u>	<u>27</u>	<u>10</u>	<u>8,479</u>
At 31 August 2019	<u>8,725</u>	<u>41</u>	<u>15</u>	<u>8,781</u>

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

14 Debtors

	2019	2018
	£000	£000
Trade debtors	10	5
VAT recoverable	73	58
Other debtors	-	-
Prepayments and accrued income	56	61
	<u>139</u>	<u>124</u>

15 Creditors: amounts falling due within one year

	2019	2018
	£000	£000
Trade creditors	133	122
Other taxation and social security	54	48
Other creditors	52	50
Loans	2	-
Accruals and deferred income	213	320
	<u>454</u>	<u>540</u>

Deferred income

	2019	2018
	£000	£000
Deferred income at 1 September 2018	158	123
Released from previous years	(158)	(123)
Resources deferred in the year	77	158
Deferred Income at 31 August 2019	<u>77</u>	<u>158</u>

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

Creditors: amounts falling due more than one year

	2019	2018
	£000	£000
Loans	15	-
	<u>15</u>	<u>-</u>

Included in creditors due within a year is £2,000 and in creditors due more than one year £15,000 in respect of Salix loans from the ESFA. The loans are interest free and both are repayable over the next 7 years.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

16 Funds

	Balance at 1 September 2018 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2019 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,136	(3,136)	-	-
Pupil Premium	-	123	(123)	-	-
Teaching School	-	40	(40)	-	-
SCITT	7	150	(155)	-	2
Other grants	4	416	(400)	(7)	13
Pension reserve	(1,287)	-	(179)	(427)	(1,893)
	(1,276)	3,865	(4,033)	(434)	(1,878)
Restricted fixed asset funds					
Transfer on conversion	8,341	-	(128)	-	8,213
DfE/EFA capital grants	146	681	(14)	-	813
Capital expenditure from GAG	-	-	-	-	-
Private sector capital sponsorship	33	24	(18)	7	46
	8,520	705	(160)	7	9,072
Total restricted funds	7,244	4,570	(4,193)	(427)	7,194
Total unrestricted funds	447	340	(435)	-	352
Total funds	7,691	4,910	(4,628)	(427)	7,546

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

General Annual Grant (GAG) must be used for the normal running costs of the academies. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

Funding for the Teaching School and SCITT are funding for the teaching school and teacher training, relevant expenditure is allocated against this income.

Restricted Fixed Asset funds are resources which are to be applied to specific capital purposes.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

16 Funds (continued)

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

	Balance at 1 September 2017	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2018
	£000	£000	£000	£000	£000
Restricted general funds					
General Annual Grant (GAG)	-	3,033	(3,033)	-	-
Pupil Premium	-	102	(102)	-	-
Teaching School	-	40	(40)	-	-
SCITT	4	157	(154)	-	7
Other grants	16	509	(510)	(11)	4
Pension reserve	(1,436)	-	(92)	241	(1,287)
	(1,416)	3,841	(3,931)	230	(1,276)
Restricted fixed asset funds					
Transfer on conversion	8,477	-	(136)	-	8,341
DfE/EFA capital grants	39	111	(4)	-	146
Capital expenditure from GAG	-	-	-	-	-
Private sector capital sponsorship	19	10	(7)	11	33
	8,535	121	(147)	11	8,520
Total restricted funds	7,119	3,962	(4,078)	241	7,244
Total unrestricted funds	473	352	(378)	-	447
Total funds	7,592	4,314	(4,456)	241	7,691

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	Total 2019 £000	Total 2018 £000
Bilton Grange (Includes SCITT)	12	15
Askwith (Includes the Teaching School)	110	141
Lothersdale	70	84
Hawes	29	38
Leyburn	39	75
Central services	107	105
Total before fixed assets and pension reserve	367	458
Restricted fixed asset fund	9,072	8,520
Pension reserve	(1,893)	(1,287)
Total	7,546	7,691

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

16 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2019 £000	<i>restated</i> Total 2018 £000
Bilton Grange	774	267	56	348	1,445	1,435
Askwith	325	190	36	115	666	645
Lothersdale	284	119	44	114	561	542
Hawes	248	113	30	96	487	500
Leyburn	499	236	51	157	943	892
Central services	39	260	2	65	366	295
Academy Trust	2,169	1,185	219	895	4,468	4,309

2018 total costs have been restated to include the pension service costs.

Analysis of net assets between funds

Fund balances at 31 August 2019 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	8,781	8,781
Current assets	804	15	308	1,127
Current liabilities	(452)	-	(2)	(454)
Non-current liabilities	-	-	(15)	(15)
Pension scheme liability	-	(1,893)	-	(1,893)
Total net assets	352	(1,878)	9,072	7,546

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

16 Funds (continued)

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds £000
	£000	£000	£000	
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	8,479	8,479
Current assets	980	10	49	1,039
Current liabilities	(540)	-	-	(540)
Pension scheme liability	-	(1,287)	-	(1,287)
Total net assets	440	(1,277)	8,528	7,691

17 Commitments under operating leases

Operating leases

At 31 August 2019 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2019 £000	2018 £000
Amounts due within one year	1	-
Amounts due between one and five years	6	14
Amounts due after five years	-	-
	<u>7</u>	<u>14</u>

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

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

Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities	2019	2018
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	282	(142)
Adjusted for:		
Amortisation (note 12)	-	5
Depreciation charges (note 13)	160	142
Capital grants from DfE and other capital income	(705)	(121)
Interest receivable (note 5)	(5)	(2)
Defined benefit pension scheme cost less contributions payable (note 24)	145	59
Defined benefit pension scheme finance cost (note 24)	34	33
(Increase)/decrease in debtors	(14)	(5)
Increase/(decrease) in creditors	(89)	96
Net cash provided by / (used in) Operating Activities	(192)	65

19 Cash flows from financing activities

	2019	2018
	£000	£000
Repayments of borrowing	-	-
Cash inflows from new borrowing	17	-
Net cash provided by / (used in) investing activities	17	-

20 Cash flows from investing activities

	2019	2018
	£000	£000
Dividends, interest and rents from investments	5	2
Proceeds from sale of tangible fixed assets	-	-
Purchase of intangible fixed assets	-	-
Purchase of tangible fixed assets	(462)	(121)
Capital grants from DfE/EFA	681	111
Capital funding received from sponsors and others	24	10
Net cash provided by / (used in) investing activities	248	-

21 Analysis of cash and cash equivalents

	At 31 August 2019	At 31 August 2018
	£000	£000
Cash in hand and at bank	988	915
Total cash and cash equivalents	988	915

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

22 Contingent liabilities

On 26 October 2018 the High Court ruled that equalisation for the effect of unequal Guaranteed Minimum Pensions (GMPs) is required. The ruling confirmed that trustees have a duty to “equalise benefits for men and women so as to alter the result which is at present produced in relation to GMPs”. According to HM Treasury, any impact of GMPs is unlikely to be material to the pension valuation and therefore no allowance for GMP equalisation has been made in the FRS 102 LGPS pension liability for this year. Full GMP indexation will applied to the LGPS pension liability once changes to LGPS have been formally announced.

23 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.

24 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 North Yorkshire Pension Fund. Both are multi-employer defined benefit schemes.

As described in note 22 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013. Contributions amounting to £35,122 (2018 - £34,275) were payable to the schemes at 31 August 2019 and are included within creditors.

Teachers’ Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers’ Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers’ Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014.

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

24 Pension and similar obligations (continued)

The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge) (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS will be as at March 2018, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £266,913 (2018 - £252,783).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £206,000 (2018: £211,000), of which employer's contributions totalled £160,000 (2018: £170,000) and employees' contributions totalled £46,000 (2018: £41,000). The agreed contribution rates for future years are 18.1% per cent for employers and 5.5-6.5% per cent 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 2019	At 31 August 2018
Rate of increase in salaries	3.25%	3.25%
Rate of increase for pensions in payment/inflation	2.00%	2.00%
Discount rate for scheme liabilities	1.90%	2.80%
Inflation assumption (CPI)	2.00%	2.00%

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

24 Pension and similar obligations (continued)

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 2019	At 31 August 2018
<i>Retiring today</i>		
Males	21.9	--
Females	25.1	26.4
<i>Retiring in 20 years</i>		
Males	23.6	
Females	28.7	28.7

Sensitivity Analysis	At 31 August 2019	At 31 August 2018
	£'000	£'000
Discount rate +0.1%	3.323	2.442
Discount rate -0.1%	3.165	2.326
Mortality assumption - 1 year increase	3.136	2.316
Mortality assumption - 1 year decrease	3.351	2.450
CPI rate +0.1%	3.291	2.418
CPI rate -0.1%	3.196	2.348

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

	Fair value at 31 August 2019	Fair value at 31 August 2018
	£000	£000
Equity instruments	781	666
Government bonds	262	178
Corporate bonds	-	-
Cash	62	3
Other	142	163
Property	103	--
Total market value of assets	1,350	1,096

The actual return on scheme assets was £70,000 (2018: £96,000).

Yorkshire Collaborative Academy Trust

Notes to the Financial Statements for the year ended 31 August 2019 (continued)

24 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019	2018
	£000	£000
Current service cost (net of employee contributions)	(223)	(229)
Past service cost	(82)	
Net interest cost	(34)	(33)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement		-
Total operating charge	(339)	(262)

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

	2019	2018
	£'000	£'000
At 1 September	2,383	2,235
Conversion of academy trusts	-	-
Current service cost	223	229
Past service cost	82	-
Interest cost	67	66
Employee contributions	46	41
Actuarial (gain)/loss	464	(168)
Benefits paid	(22)	(10)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August	3,243	2,383

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

	2019	2018
	£'000	£'000
At 1 September	1,096	799
Upon conversion	-	-
Interest income	33	23
Return on plan assets (excluding net interest on the net defined pension liability)	-	-
Actuarial gain/(loss)	37	72
Employer contributions	160	170
Employee contributions	46	41
Benefits paid	(22)	(10)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August	1,350	1,096

	2019	2018
	£'000	£'000
Defined benefit obligations	(3,243)	(2,383)
Fair value of academy's share of scheme assets	1,350	1,096
Net defined benefit pension scheme liability	(1,893)	(1,287)

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

25 Related party transactions

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

During the year, 2 employees of the trust are 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. All 2 employees are 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 10.

26 Events after the end of the reporting period

There are no events after the end of the financial year that require reporting.

27 Capital commitments

	2019 £000	2018 £000
Contracted for, but not provided for	<u>32</u>	<u>18</u>

28 Financial Instruments

	2019 £000	2018 £000
Financial assets measured at amortised cost	<u>1,071</u>	<u>978</u>
Financial liabilities measured at amortised cost	<u>469</u>	<u>492</u>

Yorkshire Collaborative Academy Trust
Notes to the Financial Statements for the year ended 31 August 2019 (continued)

29 Teaching school trading account

	2019	2019	2018	2018
	£000	£000	£000	£000
Income				
Direct Income		65		80
Total income		<u>65</u>		<u>80</u>
Expenditure				
Direct costs				
Direct Staff costs	23		22	
Total direct costs		<u>23</u>		<u>22</u>
Other costs				
Support staff costs	28		35	
Depreciation	-		-	
Other support costs	14		15	
Total other costs		<u>42</u>		<u>50</u>
Total Expenditure		<u>65</u>		<u>72</u>
Transfers between funds excluding depreciation		<u>-</u>		<u>-</u>
Surplus/(Deficit) from all sources		<u>-</u>		<u>8</u>
Teaching school balances at 1 September		<u>101</u>		<u>93</u>
Teaching school balances 31 August		<u>101</u>		<u>101</u>