

**Company Registration Number: 07844587 (England & Wales)**

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Annual report and financial statements**  
**for the year ended 31 August 2022**



**Odyssey Trust for Education**  
**(A company limited by guarantee)**

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**Odyssey Trust for Education**  
(A company limited by guarantee)

**Reference and administrative details**

**Members**

Banji Adewumi  
Roy Ashmole (resigned 1 September 2021)  
Shelley Ogilvie  
Bhaven Pathak (resigned 21 July 2022)  
John Paterson  
Carol Strevens

**Trustees**

Aamer Safdar, Chairman (to 25 May 2021) (resigned 25 May 2022)  
Yunita Ramgoolam (resigned 25 May 2022)  
Lauren Barwell (resigned 8 May 2022)  
John Paterson (resigned 25 May 2022)  
Lee Mason-Ellis (appointed 14 June 2022, resigned 22 September 2022)  
Tom Singh Nurwain (resigned 24 November 2022)  
Diane Moss (appointed 27 September 2021, resigned 30 November 2022)  
Desmond Deehan, Chief Executive Officer (To resign 31 December 2022)  
Felicia Squire, Chair of Trustees (from 22 September 2022 to 23 November 2022)  
Daniel Rouse, Chair of Trustees (from 24 November 2022) (appointed 1 October 2022)  
Matthew Hancock-Jones (appointed 11 November 2022)  
Ruwanka Tharushi Wijesena (appointed 11 November 2022)  
Jacqueline Takpimibiomi (appointed 11 November 2022)  
Kelly Maxwell (appointed 16 December 2022)  
Sarah Hunter-Wainwright (appointed 16 December 2022)  
Akosua Addo (appointed 19 December 2022)  
Akua Brako-Raja (appointed 19 December 2022)  
Caroline Heard (appointed 19 December 2022)  
Chetan Halai (appointed 19 December 2022)

**Company registered number** 07844587

**Company name** Odyssey Trust For Education

**Principal and registered office** Townley Grammar School  
Townley Road  
Bexleyheath  
Kent  
DA6 7AB

**Company secretary** Paul Robert Walker (appointed 1 January 2022)

**Chief executive officer** Desmond Deehan (resigned July 2022)  
N Pandya (interim CEO appointed July 2022)

**Executive Team**

D Deehan, Chief Executive Officer (resigned July 2022)  
L Burgess, Chief Financial Officer  
H Whitmore, Director of School Improvement (resigned August 2022)  
N Pandya, Interim Chief Executive Officer and Accounting Officer (appointed July 2022)  
N Pandya, Head of School, Townley Grammar  
R Leitch, Head of School, King Henry School (resigned April 2022)

**Odyssey Trust for Education**  
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**Reference and administrative details (continued)**  
**for the year ended 31 August 2022**

<b>Independent auditor</b>	Kreston Reeves LLP Chartered Accountants Statutory Auditor Montague Place Quayside Chatham Maritime Chatham Kent ME4 4QU
<b>Bankers</b>	Lloyds TSB Stratford Westfield Branch PO Box 1000 BX1 1LT  NatWest 1 Townley Road Bexleyheath Outer London DA6 7JG
<b>Solicitors</b>	Lee Bolton Monier-Williams Solicitors 1 The Sanctuary Westminster London SW1P 3JT  Stone King LLP Boundary House 91 Charterhouse Barbican London EC1M 6HR  Browne Jacobson 15th Floor 6 Bevis Marks London EC3A 7BA

**Odyssey Trust for Education**  
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**Trustees' report**  
**for the year ended 31 August 2022**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year-end 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Odyssey Trust for Education (OTE) was formed in September 2018 to bring together a high performing selective girls grammar school and a local mixed secondary modern school. It was driven by the desire of the leadership and governors of Townley Grammar to have a greater impact on the lives and life chances of young people in the community. At its heart is a belief in the transformational power of a high-quality education, the value of diversity and the need for collaboration if we are to change lives and change the world..

The trust operates two secondary schools, Townley Grammar School in Bexleyheath and King Henry School in Erith. Our schools have a combined pupil roll of 3168 in the 2022 census.

**Structure, governance and management**

**Constitution**

The academy trust is a charitable company limited by guarantee and an exempt charity. The charitable companies memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Odyssey Trust for Education are also the directors of the charitable company for the purposes of company law. The charitable company is known as Odyssey Trust for Education.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

**Members' liability**

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

**Trustees' indemnities**

Subject to the provisions of the Companies Act 2006, the Academy Trust maintains Trustees and Officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in connection with their acting in capacity as trustees of the Academy Trust.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Structure, governance and management (continued)**

**Method of recruitment and appointment or election of Trustees**

The Master Funding Agreement with the Secretary of State states that the academy trust must appoint charity trustees to a Board of Charity Trustees and, whereas it must have Articles of Association, the MFA states that articles may not be amended or removed without the Secretary of State's consent. The Articles of Association set out the rules of the company and are those adopted by trustees on 2 May 2018. These do not deviate from the model published by the Department for Education at the time of adoption. The Articles of Association state the objects of the academy trust. Under these documents, the governance of the academy trust rests with the trustees.

The Articles of Association state that there must be a minimum of six members. Members may make such appointments by special resolution. Following a resignation during the financial year 2021 - 2022, the number of members fell to four and remained there for the remainder of the financial year. No members were appointed during the year. The names of members in office (all of whom were entitled to vote to nominate or to appoint people as trustees) during the year is below.

Banji Adewumi  
Roy Ashmole - resigned 01 September 2021  
Carol Strevens  
John Paterson  
Bhaven Pathak – resigned 21 July 2022  
Shelly Ogilvie

The members may appoint up to eight people by ordinary resolution to be trustees and those trustees who are not co-opted trustees may co-opt any number of people to be co-opted trustees. The term of office for all trustees except the chief executive officer (CEO) is four years. If the CEO agrees to act as a trustee, the members may appoint that person by ordinary resolution. The CEO continued as a trustee into the financial year and remained so throughout. There may not be fewer than three trustees and the quorum for a meeting is four of them.

The trustees had in place several committees during the financial year for education, resources and for each of the schools, constituted as local governing bodies (LGBs). As such, each of the LGBs was required by the Articles of Association to have two parent local governors which, in turn, meant that there was no requirement to have parent trustees. Like the staff local governors, parent local governors were required to be elected but, if the seats were not filled by election, they could be filled by appointment. The number of staff local governor seats on each LGB was reduced by trustees during the year from two to one.

The academy trust's approach to recruiting members, trustees and those local governors who are not elected is to advertise through a range of website's, inviting applications. For elected positions, nominations are first sought from the parent or staff body, as appropriate. Interest is then assessed by all members for member - appointments, by a panel of trustees for trusteeships which then makes recommendations to members and by a panel of local governors for local governorships which then makes recommendations to the Board of Trustees. At all stages for trusteeships and local governorships, consideration is given to how far applicants meet needs, including the competency framework for governance published by the Department for Education.

Since May 2022, the number of trustees and local governors reduced and a recruitment campaign was due to begin in September.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Structure, governance and management (continued)**

**Policies adopted for the induction and training of Trustees**

The training and induction provided for new Trustees and Governors will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters.

All new Trustees and Governors are given a tour of the Trust and the chance to meet with staff and students. All Trustees/Governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the trust.

**Organisational structure**

The Trust has established a management structure to enable its efficient running. The structure consists of two levels: The Trust Board and the Executive Team.

The Trust Board has considered its role thoughtfully and decided that the role of the Trustees is to approve the strategic direction and objectives of the trust and monitor its progress towards these objectives.

The Trust Board has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, financial matrix and terms of reference. The CEO is directly responsible for the day-to-day operation of the Trust. The Headteacher's are directly responsible for the day to day running of each school and are assisted by a senior leadership team.

Trustees are responsible for the strategic vision, agreeing an annual plan and budget, monitoring the academies by use of budgets and making major decisions about the direction of the Trust, including capital expenditure and senior staff appointments.

The Chief Executive/Interim Chief Executive Leader assumes the accounting officer role.

**Arrangements for setting pay and remuneration of key management personnel**

Executive pay is based on improving the educational and financial performance of the Trust. This is reviewed annually in line with performance review and meeting of set objectives. The Trust consults with Browne Jacobson in determining the appropriate pay range for the Chief Executive/Interim Chief Executive Leader.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Structure, governance and management (continued)**

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year -  
Full-time equivalent employee number 3

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

**Percentage of pay bill spent on facility time**

	£	%
Total cost of facility time	-	
Total pay bill	16,470,380	
Percentage of total pay bill spent on facility time	-	

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours - %

**Related parties and other connected charities and organisations**

There were no related party transactions in this financial year. During the year the Trust forged a partnership with Leigh Academies Trust to provide support to King Henry School following its Ofsted inspection in May 2022. This will be followed by a permanent transfer of the school in spring/summer 2023. The Interim Senior Executive Leader has forged links with a number of other schools and trusts with a view to forming a strong partnership for Townley Grammar School in the near future.

**Engagement with employees (including disabled persons)**

Where appropriate the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant support staff and teaching trade unions. The Trust provides information to employees generally by way of email, memoranda and staff meetings. At each of the schools, information is channeled via the SLT meetings. Employees are encouraged to familiarise themselves with Ofsted reports, available from the Trust website and student progress and attainment statistics when they are made available.

It is the Trust's policy to ensure equality of opportunities is afforded to staff, students and other stakeholders. Training, career development and promotion opportunities are available to all employees.

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitude and abilities. In the event of employees becoming disabled then every effort is made to retrain them in order that their employment within the Trust may continue.



**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Structure, governance and management (continued)**

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

Our suppliers are important to the trust to ensure continuity of the trust operational line through the provision of supplies need to support education deliver and operational needs. The Board's approach includes ensuring that all supply and procurement process were fair, transparent and in line with statutory provisions. This allows for suppliers to be dealt with evenly through the development of policy and processes which facilitates this approach.

**a. Regulators**

Regulators ensure the trust is operating within the confines of the law in the delivery of its educational provision. The Board's approach is that the Accounting Officer and designated staff retain direct operational responsibility for ensuring compliance and effective communication with the trust regulators.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Objectives and activities**

The principal object and activity of Odyssey Trust for Education is to provide a broad and balanced education for pupils of all abilities. The Trustees have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the Trust.

In accordance with the articles of association, the trust has adopted a "Scheme of Government" approved by the Secretary of State. The Scheme of Government is part of the wider 'Master Funding Agreement' between the Company and the Secretary of State and 'Supplemental Funding Agreements' for each Academy. The Scheme of Government specifies, amongst other things, that the Trust's Academies will be at the heart of their communities promoting community cohesion and sharing facilities, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; and the basis for charging pupils.

Our strategic aims are:

- To create an organizational structure that is able to fulfil its mission in changing contexts
- Achieve the best possible outcomes for all our young people and the communities we serve
- To build strong and effective leadership and governance

We therefore have three Big Priorities:

- Financial Strength and Stability
- Improved educational outcomes across the Trust
- Recruit, Retain & Train the best people

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Objectives and activities (continued)**

**Objectives, strategies and activities**

**Odyssey Mission Objectives**

The purpose of the Odyssey Trust for Education is to broaden opportunity and drive social mobility for young people, regardless of background or ability, ensuring that no student is left behind.

**Leave no student behind**

Ensuring through a meaningful understanding of our communities, our students and our context that we can help them to overcome the barriers they may face now and in their futures. We achieve this by providing the fullest possible education to all by targeted support and meaningful challenge.

**Serve our communities**

Understanding and engaging with our communities in their richness and diversity. Students, their families and the wider community within which they live and grow.

**Address inequalities in education**

Recognising that like the wider society education both creates inequalities and helps to address them. Through bringing the full range of opportunities to all students in the Trust and developing the necessary skills, knowledge and experiences we both provide the door and the means to open it.

**Create great places to work**

Acknowledging that it is through our people that we achieve great things. Therefore, we invest in those that work within the Trust, we care for them and we enable them to grow.

**From binary to spectrum thinking**

We affirm that the problems we face are complex with multiple causes and solutions. Collaboration requires trust, understanding and an open hand. Through this we work together with common purpose.

**Strategy for Achieving these objectives**

We intend to achieve these objectives through building systems and structures that work and are sustainable. Investing in our people. Building exemplary Inclusion practice. Standardising and centralising essential elements. Focusing on Research and Evidence based practice and meaningful and tangible collaboration. All of this built on great leadership and governance.

**Public benefit**

The Trustees confirm that they have complied with the duty set out in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit.

**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report**

**Achievements and performance**

In November 2021 Townley Grammar School was subject to a Section 8 Ofsted inspection. This did not change the school's overall judgment, which remains Outstanding. However it was indicated that the inspection grade might not be as high if it had been a full inspection, and therefore the next inspection will be a full (section 5) inspection. The inspection was positive in many areas, such as:

- Leaders have high expectations
- curriculum content is well sequenced
- quality of teaching
- high achievement of pupils,
- strong teacher subject knowledge
- use of high quality texts to enhance learning
- use of assessment to identify gaps in knowledge
- pupils with SEN, disability, or other needs receive the support they need to achieve as well as others
- Pupils interact positively inside and outside of lessons
- Behaviour is positive
- RSE is taught sensitively and contextually
- Strong careers support
- Safeguarding is effective

The inspection highlighted areas for improvement:

- Some pupils did not have full confidence in pastoral effectiveness
- Some staff expressed concerns about workload and wellbeing

Since the inspection the school has continued to develop both staff and student voice and ensured that staff feedback and engagement is encouraged through a range of different means, including a Staff Focus Group. The school has developed a number of systems to ensure students have a variety of means to report concerns including liaison with our community partner Active Horizons. Communication and discussions regarding leadership decisions is a priority and consistently providing platforms for staff to engage with this remains a priority.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cohort	209	209	210	209	220	223
Attainment 8 Score	73.99	73.67	73.20	75.90	78.20	76.75
Progress 8 Score	0.81	0.81	0.84	1.10	0.75	0.62
<b>% of Cohort</b>						
9-4 English	99.52	100	99.52	100	100	100
9-4 Maths	100	99.52	99.05	100	100	100
9-5 English		98.09	99.05	100	100	99.55
9-5 Maths		98.09	93.33	98.56	99.55	98.21
9-7 English		89.47	86.67	93.84	97.73	87.44
9-7 Maths		61.72	59.52	72.25	73.64	67.26
9-4 English & Maths	99.52	100	99	99	100	100
9-5 English & Maths		96	93	98	99.55	97.76
5 Grade 5+	100	98.09	96.67	98.58	99.55	100
5 Grade 5+ Inc Eng & Maths	99.52	95.69	92.86	97.16	99.09	97.76
APS	568.25	6.85	6.74	7.01	7.61	7.11
Ebacc Entry	88.04	83.25	77.14	83.47	82.73	77.58
Ebacc Standards Pass	52.78	79.9	70.48	82.46	82.27	73.54
Ebacc Strong Pass	80.86	70.33	61.43	76.78	77.73	65.02
9 - 8	33.68	38.8	42.37	48.04	59.04	52.83
9 - 7	69.18	63.99	63.55	72.94	82.46	74
9 - 4	98.83	94.86	97.71	99.82	99.79	98.73

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

A Level						
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Cohort	218	250	208	284	243	251
Female	187	199	164	223	202	199
Male	29	51	44	61	41	52
Total No. of Entries	643	652	533	861	759	793
Total Pass	643	643	527	861	758	785
% Pass	100	98.62	98.87	100	99.87	98.99
A Level APS	40.28	37.71	40.19	44.18	47.92	42.24
A*/A Grades	209	202	203	440	501	361
A*/ A %	32.5	31.03	38.09	51.1	66.01	45.52
A* - B Grades	438	391	363	686	666	579
A* - B %	68.11	60.06	68.11	79.67	87.75	73.01
A* - C Grades	579	546	470	816	731	701
A* - C %	90.04	83.87	88.18	94.77	96.31	88.4
Cohort Score		32.68	33.91	44.05	47.12	41.37
		C+	C+	B+	A-	B

In May 2022 King Henry School was subject to a full Section 5 Ofsted inspection. The inspection judged the school to be inadequate. The key findings were that attendance and behaviour are not well managed, leading to concerns around safeguarding of pupils and disruption to learning. Pupils with special educational needs and/or disabilities do not have their needs met and expectations from leaders are too low. There is a lack of focus on reading and support with low literacy.

Since the inspection the Trust has entered into a Memorandum of Agreement with Leigh Academies Trust to provide support to the school. A new Principal is in place and new protocols for behaviour and safety have been implemented. The leadership team are focused on embedding these protocols and working towards improving the quality of teaching, SEND provision and literacy.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

<b>HISTORICAL KPI's</b>						
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
A8	36.08	37.07	36.37	38.84	40	33.92
P8	-0.71	-0.77	-0.88	-0.5	N/A	-1.18
	<b>%</b>					
	<b>Cohort</b>					
9-4 Eng	58%	66%	58%	64%	64%	60%
9-4 Maths	55%	55%	60%	62%	65%	47%
9-5 Eng	39%	46%	44%	46%	37%	38%
9-5 Maths	31%	33%	39%	40%	34%	25%
9-7 Eng	4%	10%	7%	7%	7%	14%
9-7 Maths	4%	5%	6%	7%	6%	6%
9-4 English & Maths	44%	49%	50%	51%	55%	40%
9-5 English & Maths	23%	29%	31%	30%	31%	22%
Ebacc Entry	5.45%	5.19%	7.46%	39.92%	10.80%	10.44%
Ebacc Standard 4+ in all Ebacc	4.49%	2.60%	3.39%	15.13%	44.79%	6.06%
Ebacc Strong 5+ in all Ebacc	3.53%	1.30%	1.36%	5.88%	N/A	3.37%

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**Trustees' report (continued)**  
for the year ended 31 August 2022

**Strategic report (continued)**

**Achievements and performance (continued)**

16+ RESULTS	2019	2020	2021	2022
	Exams	CAG's	TAG's	Exams
Total no. of students	91	103	139	68
Total no. of entries (all examinations)	142	213	247	168
Total Passes (A Level & Vocational)	121	191	254	146
% Pass	85.21%	89.67%	95.49%	86.90%
A Level APS	18.28	22.73	N/A	20.5
Academic APS	18.28	22.73	N/A	20.5
Applied APS	25.43	26.59	N/A	20.69
Tech APS	N/A	N/A	N/A	18.68
<b>(A Level)</b>				
A*/A Grades	1	7	15	3
A*/A %	0.78%	3.29%	5.64%	3.00%
A*-B Grades	16	35	50	15
A*-B %	12.50%	16.43%	18.80%	10.07%
A*-C Grades	37	82	71	42
A*C %	29.13%	38.50%	26.69%	28.19%
<b>Vocational Grades (BTCE, CTEC, LIBF)</b>				
D*-D Grades	0.00%	0.00%	26.32%	2.27%
D*-M Grades	10.81%	9.52%	55.56%	13.64%
D*-P Grades	94.59%	100.00%	92.40%	90.91%
U Grades	5.41%	0.00%	7.02%	9.09%

**Going concern**

During the year the Trust received a Termination Warning Notice from the ESFA following a Ofsted visit at King Henry School which resulted in a 'requires improvement' rating and King Henry School will transfer to Leigh Academies Trust in early 2023

The Trustees have engaged with the ESFA during the year to resolve the issues identified and Townley Grammar will remain as part of Odyssey Trust for Education for the foreseeable future.

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 Note 2.2.



**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

**Promoting the success of the Trust**

Odyssey Trust for Education is governed by its charitable objects as set out in its Articles of Association; these also set the purpose of the trust.

All decisions and activities of the trust take into account how we best deliver our long-term goals and are driven by our strategic aims. All decisions we make as a trust, from our operational teams through to the Trust Board, are made in the best interests of our pupils who are our main beneficiaries, and in the knowledge, we are accountable to them, their parents, regulators and our staff.

The Board considers that they have adhered to the requirements of section 172 of the Companies Act 2006 (the "Act") and have, in good faith, acted in a way that they consider would be most likely to promote the success of the trust for the benefit of its key stakeholders and, in doing so, have had regard to and recognised the importance of considering all stakeholders and other matters (as set out in s.172(1)(a-f) of the Act) in its decision-making.

The Board and local governing bodies has approved a number of policies that help to ensure the safety of our pupils and staff, as well as those that ensure the integrity of our business conduct.

Upon appointment, trustees and governors are briefed on their duties and responsibilities under the Companies Act and the trust's Articles of Association and Scheme of Delegation. The Trust Board and Local Governing Boards are entitled to request from the Trust Executive Team and schools all such information they may reasonably require in order to be able to perform their duties. On-going training is available to the governors, as required, to ensure that their knowledge remains up to date and they continue to be able to discharge their duties.

For all decision making at Board level, discussion takes place around employee impact and impact on other stakeholders, such as pupils, parents and the local community. The relevance of each stakeholder group may vary by reference to the issue in question, so the Board seeks to understand the needs of each stakeholder group and any potential conflicts as part of its decision-making. The Trust's Executive team and Senior Leaders ensure the Trust Board and Local Governing Boards are fully focused on the impacts to each stakeholder group.

**Financial review**

**Results for the year**

The majority of the Academy Trusts income arises in the form of recurrent grants from the ESFA. The use of this income is restricted to the particular purpose of the grant. The grants received from the ESFA in the year to 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. During the year total income was £22,105,743 of which £836,471 was unrestricted income. Total expenditure was £22,748,020, of which:

- o Staff employment costs of £17,406,172 which represented 77% of total expenditure
- o Premises related costs of £2,826,929 which represented 12% of total expenditure
- o Energy related costs of £449,583 which represented 2% of total expenditure

The operating deficit, excluding the pension reserves adjustments, for the year ended 31 August 2022, was £642,277. This includes a depreciation charge for the year of £1,316,884.

The Academy Trust's level of free reserves is £599,129 as at 31 August 2022 which includes unrestricted funds of £534,285. The Trust also has £Nil of free capital reserves.

The Trustees monitor the financial position of each School individually in terms of its on-going surplus and future predicted income and expenditure, considering that educational funding is likely to reduce. The Trustees will review the position constantly to ensure that each individual school has sufficient income to operate on an efficient basis without affecting the quality of teaching and learning.

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Strategic report (continued)**

**Reserves Policy**

A minimum of 3% of recurring government revenue grants, held in total between total unrestricted and restricted revenue funds should be deemed appropriate as minimum level of funds retained for these purposes. The trust reserves have increased at 31 August 2022, with unrestricted funds remaining of £534,285, is at 2.6% of revenue grants. The funding requirements as outlined in the going concern basis, means that a target minimum level of reserves approx. £550,000 should be established in the forward plan at future year ends. Generation of unrestricted income should continue to support this policy. The going concern basis outlines the engagement with the ESFA on funding in order to support these aims.

The Academy Trust's current free reserves have fallen below the 3% stated within the policy as a direct result of historic restructuring costs of the central team that was initially put in place to support Trust growth and school improvement.

The Board of Trustees' and Key Management Personnel have taken swift action during the year to implement a deficit recovery plan in order to achieve a surplus budget after a series of deficit years which have depleted the trust's financial reserves.

**Investment policy**

The Trust policy is to invest surplus funds in low-risk short term bank deposits with its Bank for example 32-day deposit account and Reserves accounts. This is most prudent and risk averse considering the budget constraints.

**Principal risks and uncertainties**

Principal risks and uncertainties identified that concern the Trust are: -

- Trustees are insufficient in number and capacity to deliver the role effectively
- Poor quality of education at King Henry School
- Inadequate Ofsted judgment at King Henry School leading to fall in popularity and subsequent impact on roll and funding
- Condition of buildings and site at King Henry School
- Condition of ICT infrastructure at King Henry School
- Impending Graded Ofsted inspection at Townley Grammar School
- Risk of data breach
- Risk of cyber attacks
- Risk of employment tribunals
- Inflation risk – increase in costs exceeds increase in funding from government, particularly in relation to staff pay and energy costs

**Fundraising**

The Trust does not work with the professional fundraiser's or companies who carry out fundraising on its behalf. The Trust has reviewed income generation strategies such as increasing letting's and sports facilities.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Streamlined energy and carbon reporting**

The academy trust's greenhouse gas emissions and energy consumption are as follows:

	<b>2022</b>	2021
Energy consumption used to calculate emissions (kWh)	<b>4,905,133</b>	4,233,826
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas consumption	<b>685</b>	628
Owned transport	<b>3</b>	3
<b>Total scope 1</b>	<b>688</b>	631
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<b>221</b>	189
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>909</b>	820
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<b>0.29</b>	0.26

**Funds held as custodian on behalf of others**

No funds were held as Custodian Trustee on behalf of others.

**Political donations**

No political donations were made by the Trust.

**Disclosure of information to auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Odyssey Trust for Education**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2022**

**Disclosure of information to auditor (continued)**

**Auditor**

The auditor, Kreston Reeves LLP, has indicated its willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 22 December 2022 and signed on its behalf by:



**Daniel Rouse**  
**(Chair of Trustees)**

**Odyssey Trust for Education**  
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**Governance Statement**

**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Odyssey Trust for Education 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 8 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
Yunita Ramgoolam, Chief Executive Officer (resigned 25 May 2022)	6	8
A Safdar (Chair, resigned 25 May 2022)	6	8
J Paterson (resigned 25 May 2022)	4	8
T Singh (resigned 24 November 2022)	7	8
Felicia Squire (Chair, appointed 22 September 2022 resigned 23 November 2022)	5	8
Lauren Barwell	1	8
Desmond Deehan, Chief Executive Officer	0	0
Matthew Hancock-Jones	0	0
Kelly Maxwell	0	0
Sarah Hunter-Wainwright	0	0
Akosua Addo	0	0
Akua Brako-Raja	0	0
Caroline Heard	0	0
Chetan Halai	0	0

The Board of Trustees received updates from the CEO and reports from Local Governing Body and Chief Financial Officer.

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise, all members, trustees, Local Governors, senior staff and staff with significant budget management responsibility are required to declare any financial interests they, or any close family members, have in companies, other corporate bodies, or individuals from whom the Academy may potentially, even if not actually, purchase goods or services.

The register should include all business interests such as directorships, partnerships, share holdings or other appointments of influence within a business or organisation, including such in other educational institutions or charities. The disclosures should also include the business interests of close family members, such as the signatory's spouse, domestic partner, child, parent or dependents.

This process is managed by the Clerk to the Trust, who will ensure all such individuals complete a declaration form annually. The signatory to the declaration agrees not to enter into any related party transaction without the prior approval of Trustees. Trusts are required to report any potential related party transaction to the ESFA

**Odyssey Trust for Education**  
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**Governance Statement (continued)**

**Governance (continued)**

before any financial transaction takes place, and approval is required from the ESFA prior to entering into any related party transaction in excess of £20,000. This process will be managed by the Clerk, who will inform the Chief Financial Officer when any new business interest is declared.

The Audit, Finance and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor and have oversight of responsibility for all financial matters and procedures within the Trust. Its wider remit is set out in its Term of Reference.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
D Deehan (CEO) (To resigned 31 December 2022)	2	2
L Burgess (CFO)	2	2
Tom Singh (resigned 24 November 2022)	2	2
Y Ramgoolam (resigned 25 May 2022)	2	2

The Education Committee is a sub-committee of the main board of Trustees. Its purpose is to monitor and have oversight of responsibility for educational standards and progress across the Trust. Its wider remit is set out in its Term of Reference.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
A Safar (Chair, resigned 25 May 2022)	2	2
D Deehan (CEO) (To resign 31 December 2022)	2	2
T Singh (resigned 24 November 2022)	2	2
F Squire (Resigned 23 November 2022)	2	2

**Review of value for money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- The Integrated Curriculum and Financial Planning tool has been introduced during the year. The tool enables decisions to be made that ensure the curriculum is broad, balanced and also cost effective, serving the needs to students and ensuring sufficient resources are available to support Pupil Premium and SEND students. The trust uses the DfE benchmarking toolkit to compare our costs with organisations of a similar size and nature to inform decision making.
- The trust operates robust financial controls with a clear scheme of delegation, requiring orders over £5000 to be supported by three competitive quotes and Headteacher approval. Higher value orders require approval from the CFO, CEO/ISEL or Trust Board in the case of large value contracts which are competitively tendered.
- The trust has moved all gas and electricity contracts to Crown Commercial Service purchasing consortium. CCS are approved by the Cabinet Office and National Audit Office and endorsed by Department for

**Odyssey Trust for Education**  
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**Governance Statement (continued)**

**Review of value for money (continued)**

Education, and this energy purchasing route is only available to public sector organisations. Electricity supplies will also transfer when existing contracts expire.

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- The trust operates centralised Finance, HR, ICT and Premises teams. This ensures the consistent application of financial processes, employment practices, cyber security and health and safety methods, as well as achieving economies of scale.
- The Trust was successful in three out of four bids to the Condition Improvement Fund, providing vital funding to essential boiler replacement and electrical upgrade projects.
- Lettings have continued to grow following a difficult period during the Covid-19 pandemic when restrictions forced the closure of these facilities, impacting income. Following the relaxing of restrictions, lettings have resumed in full. The trust also benefits from funding received from our participation in Trust integration programme which involves hosting international students within the Trust day for a fixed number of days.

Value for money is about achieving the best possible educational and wider societal outcomes through the economic, efficient and effective use of all the resources in the trust's charge. The accounting officer, ensures that Odyssey Trust for Education is accountable for 'taxpayers' money and achieves 'value for money' by:

- Avoiding waste and extravagance.
- Ensuring the organisation is carefully structured.
- Ensuring the organisation has sound systems of financial governance.
- Ensuring that there are sound financial controls in place for income and expenditure and that all goods and services are procured in an open and transparent way.
- Ensuring that financial records are up to date management accounts are prepared on a regularly basis.
- Ensuring that Trustees receive management accounts regularly
- Ensuring that there are robust controls for payroll arrangements and segregation of duty for all involved in the process.
- Ensuring that segregation of duty applies within the finance department.
- Ensuring that all financial transactions represent value for money and procurement procedures are followed with particular attention paid to areas of large spending and capital projects.
- Ensuring that we have arrangements for internal audit to carry out a service that further safeguards the trustees.
- Ensuring that our building is let to the local community and raises additional funds in support of the development of the Trust.

The accounting officer, has ensured that the Trust's finances have been managed in a transparent and effective way and that financial records have been monitored, evaluated, reviewed and audited by our internal and external auditors.

**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Odyssey Trust for Education for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

**Odyssey Trust for Education**  
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**Governance Statement (continued)**

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the **Finance and General Purposes Committee** of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided:

to appoint Bishop Fleming LLP to carry out a programme of internal scrutiny.

The scope of the internal review includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems as follows:

- review of purchase system
- review of accounting system controls
- review of payroll system
- review of income system
- review of bank and other control account reconciliations
- review of governance arrangements

On a semi-annual basis, the internal auditor reports to the Board of Trustees, through Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.



**Odyssey Trust for Education**  
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**Governance Statement (continued)**

**Review of effectiveness**

As accounting officer, the Chief Executive 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 or the school resource management self-assessment tool
- 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, Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 22 December 2022 and signed on their behalf by:



**Daniel Rouse**  
Chair of Trustees



**Nevita Pandya**  
Accounting Officer

**Odyssey Trust for Education**  
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**Statement on Regularity, Propriety and Compliance**

As accounting officer of Odyssey Trust for Education I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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 Academy Trust Handbook 2021.

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

During the year the Members identified a failure in the oversight and management of the Academy Trust and the robustness of the processes in place to manage risk, which ultimately led to a Termination Warning Notice from the ESFA and move towards transfer of King Henry School from Odyssey Trust for Education to Leigh Academies Trust in early 2023 and meant that the Trust were not always compliant with the Academy Trust Handbook.

Since the year end the Trust have ensured:

- Recruited new Trustees to support the Trust and ensure compliance with the Academy Trust Handbook
- Made changes to the Trust leadership
- Worked with Leigh Academies Trust to minimise the disruption at King Henry School following the Ofsted judgement
- Maintained a focus on standards at Townley Grammar School to retain its 'Outstanding' Ofsted judgment.



**Nevita Pandya**  
Accounting Officer  
Date: 22 December 2022

**Odyssey Trust for Education**  
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**Statement of Trustees' responsibilities**  
**for the year ended 31 August 2022**

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 business.

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

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

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

Approved by order of the members of the Board of Trustees on 22 December 2022 and signed on its behalf by:



**Daniel Rouse**  
Chair of Trustees

**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education**

**Opinion**

We have audited the financial statements of Odyssey Trust for Education (the 'academy trust') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education (continued)**

**Material uncertainty related to going concern**

We draw attention to note 2.2 in the financial statements, which indicates that King Henry School will transfer to Leigh Academies Trust in early 2023. This is a result of the Termination Warning Notice received by Odyssey Trust for Education from the ESFA following its recent Ofsted visit which resulted in a 'requires improvement' rating for King Henry School.

While Townley Grammar School will remain as part of Odyssey Trust for Education at present, the Trust is still in the process of working with the ESFA to assess the best options available to ensure the continued 'Outstanding' provision of education to its pupils.

As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the academy trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Trustees' assessment of the academy trust's ability to continue to adopt the going concern basis of accounting included a review of the correspondence between the Trust, Ofsted and the ESFA, discussions with management and discussions with the Board of Trustees.

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

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education (continued)**

**Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, 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.

**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education (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.

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

*Capability of the audit in detecting irregularities, including fraud*

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Financial Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and non-compliance with financial management and governance requirements which are consistent with the obligations of public funded bodies. Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and

**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education (continued)**

- reviewing correspondence with relevant tax and regulatory authorities; and
- Review of corporate governance arrangements; and
- Review of internal controls and physical inspection of tangible assets susceptible to fraud or irregularity; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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 of 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 my 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 my 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.



**Odyssey Trust for Education**  
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**Independent auditor's Report on the financial statements to the Members of Odyssey Trust for Education (continued)**

**Use of our report**

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

*Kreston Reeves LLP*

**Peter Manser FCA DChA (Senior statutory auditor)**  
for and on behalf of  
**Kreston Reeves LLP**  
Chartered Accountants  
Statutory Auditor  
Chatham Maritime  
22 December 2022

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to Odyssey Trust for Education and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 9 August 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Odyssey Trust for Education during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Odyssey Trust for Education and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Odyssey Trust for Education and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Odyssey Trust for Education and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Odyssey Trust for Education's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Odyssey Trust for Education's funding agreement with the Secretary of State for Education dated 3 March 2011 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Odyssey Trust for Education**  
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**Independent Reporting Accountant's Assurance Report on Regularity to Odyssey Trust for Education and the Education & Skills Funding Agency (continued)**

**Approach**

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

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

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

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

**Odyssey Trust for Education**  
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**Independent Reporting Accountant's Assurance Report on Regularity to Odyssey Trust for Education and the Education & Skills Funding Agency (continued)**

The work undertaken to draw to our conclusions includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the Funding Agreement
- Reviewed grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed Board of Trustee minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed procurement and tendering procedures exist relating to expenditure and have been complied with.
- Considered if the Trust's governance arrangements and composition comply with the Academies Financial Handbook 2020

**Conclusion**

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

During the year the Members identified a failure in the oversight and management of the Academy Trust and the robustness of the processes in place to manage risk, which ultimately led to a Termination Warning Notice from the ESFA and move towards transfer of King Henry School from Odyssey Trust for Education to Leigh Academies Trust in early 2023 and meant that the Trust were not always compliant with the Academy Trust Handbook.

The Academy Trust has made the necessary notifications to the Education and Skills Funding Agency and other relevant authorities and have strengthened their internal controls to prevent this from happening in the future.

*Kreston Reeves LLP*

**Kreston Reeves LLP**  
Chartered Accountants  
Reporting Accountant

Date: 22 December 2022

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**for the year ended 31 August 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants	4	36,279	-	746,360	782,639	344,549
Other trading activities	6	790,097	-	-	790,097	516,456
Investments	7	1,140	-	-	1,140	344
Charitable activities	5	-	20,522,912	-	20,522,912	20,508,811
Other income	8	8,955	-	-	8,955	-
<b>Total income</b>		<b>836,471</b>	<b>20,522,912</b>	<b>746,360</b>	<b>22,105,743</b>	<b>21,370,160</b>
<b>Expenditure on:</b>						
Charitable activities		292,391	21,145,785	1,309,844	22,748,020	23,429,854
<b>Total expenditure</b>		<b>292,391</b>	<b>21,145,785</b>	<b>1,309,844</b>	<b>22,748,020</b>	<b>23,429,854</b>
<b>Net income/ (expenditure)</b>		<b>544,080</b>	<b>(622,873)</b>	<b>(563,484)</b>	<b>(642,277)</b>	<b>(2,059,694)</b>
Transfers between funds	21	(228,785)	88,777	140,008	-	-
<b>Net movement in funds before other recognised gains</b>		<b>315,295</b>	<b>(534,096)</b>	<b>(423,476)</b>	<b>(642,277)</b>	<b>(2,059,694)</b>
<b>Other recognised gains:</b>						
Actuarial (losses)/gains on defined benefit pension schemes	28	-	6,748,000	-	6,748,000	322,000
<b>Net movement in funds</b>		<b>315,295</b>	<b>6,213,904</b>	<b>(423,476)</b>	<b>6,105,723</b>	<b>(1,737,694)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		218,990	(7,802,000)	48,450,710	40,867,700	42,605,394
Net movement in funds		315,295	6,213,904	(423,476)	6,105,723	(1,737,694)
<b>Total funds carried forward</b>		<b>534,285</b>	<b>(1,588,096)</b>	<b>48,027,234</b>	<b>46,973,423</b>	<b>40,867,700</b>

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 38 to 67 form part of these financial statements.

**Odyssey Trust for Education**  
**(A company limited by guarantee)**  
**Registered number: 07844587**

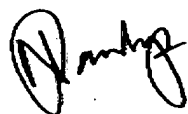
**Balance sheet**  
**as at 31 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	16	47,542,101	48,450,710
<b>Current assets</b>			
Stocks	17	2,216	-
Debtors	18	1,342,103	853,397
Cash at bank and in hand		1,453,264	930,414
		<u>2,797,583</u>	<u>1,783,811</u>
Creditors: amounts falling due within one year	19	(1,660,014)	(1,500,339)
<b>Net current assets</b>		<u>1,137,569</u>	<u>283,472</u>
<b>Total assets less current liabilities</b>		<u>48,679,670</u>	<u>48,734,182</u>
Creditors: amounts falling due after more than one year	20	(53,247)	(64,482)
<b>Net assets excluding pension liability</b>		<u>48,626,423</u>	<u>48,669,700</u>
Defined benefit pension scheme liability	28	(1,653,000)	(7,802,000)
<b>Total net assets</b>		<u><u>46,973,423</u></u>	<u><u>40,867,700</u></u>
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	21	48,027,234	48,450,710
Restricted income funds	21	64,904	-
Restricted funds excluding pension asset	21	<u>48,092,138</u>	<u>48,450,710</u>
Pension reserve	21	(1,653,000)	(7,802,000)
<b>Total restricted funds</b>	21	<u>46,439,138</u>	<u>40,648,710</u>
<b>Unrestricted income funds</b>	21	534,285	218,990
<b>Total funds</b>		<u><u>46,973,423</u></u>	<u><u>40,867,700</u></u>

The financial statements on pages 35 to 67 were approved by the Trustees, and authorised for issue on 22 December 2022 and are signed on their behalf, by:



**Daniel Rouse**  
 (Chair of Trustees)



**Nevita Pandya**  
 (Accounting officer)

The notes on pages 38 to 67 form part of these financial statements.

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**for the year ended 31 August 2022**

	<b>Note</b>	<b>2022</b> £	<b>2021</b> £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	23	682,375	1,900
<b>Cash flows from investing activities</b>			
	25	(148,290)	(156,633)
<b>Cash flows from financing activities</b>			
	24	(11,235)	(12,062)
<b>Change in cash and cash equivalents in the year</b>		<b>522,850</b>	<b>(166,795)</b>
Cash and cash equivalents at the beginning of the year		930,414	1,097,209
<b>Cash and cash equivalents at the end of the year</b>	26, 27	<b>1,453,264</b>	<b>930,414</b>

The notes on pages 38 to 67 form part of these financial statements

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**1. General information**

Odyssey Trust for Education is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Townley Grammar School, Townley Road, Bexleyheath, DA6 7AB. The principal activity of the Academy Trust is to provide an education for pupils that satisfies the requirements of the Education Act 2002.

**2. 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.

**2.1 Basis of preparation of financial statements**

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

The presentation currency is £ sterling. The figures in the financial statements have been rounded to the nearest £1.

**2.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation of the financial statements.

During the year the Trust received a Termination Warning Notice from the ESFA following a Ofsted visit at King Henry School which resulted in a 'requires improvement' rating and King Henry School will transfer to Leigh Academies Trust in early 2023

The Trustees have engaged with the ESFA during the year to resolve the issues identified and Townley Grammar will remain as part of Odyssey Trust for Education for the foreseeable future.

**2.3 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.



**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**2. Accounting policies (continued)**

**2.4 Income**

All income is recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

**2.5 Expenditure**

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

• **Charitable activities**

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

All expenditure is inclusive of irrecoverable VAT.

**2.6 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the Bank.

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**2. Accounting policies (continued)**

**2.7 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.

**2.8 Tangible fixed assets**

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	- 8 - 50 years straight line basis
Leasehold land and buildings	- 15 - 125 years straight line basis
Furniture and equipment	- 4 - 10 years straight line basis
Computer equipment	- 3 years straight line basis
Motor vehicles	- 4 - 5 years straight line basis

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

**2.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2.10 Operating leases**

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

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**2. Accounting policies (continued)**

**2.11 Debtors**

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

**2.12 Cash at bank and in hand**

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

**2.13 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.

**2.14 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.

**2.15 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. 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.

**2.16 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are

**Odyssey Trust for Education**  
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**Notes to the financial statements**  
**for the year ended 31 August 2022**

**2. Accounting policies (continued)**

**2.16 Pensions (continued)**

determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**2.17 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments are received from the ESFA and subsequent disbursements to students are not excluded from the Statement of financial activities as the Academy Trust has control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the Statement of financial activities.

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**3. 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.

*Multi-employer benefit pension scheme*

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2022. 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.

*Tangible fixed assets*

The Academy Trust has recognised tangible fixed assets with a carrying value of £47,542,101 at the reporting date (see note 16). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trusts' forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

Critical areas of judgement:

*Lease commitments*

The Academy Trust has entered into a range of lease commitments in respect of plant and equipment. The classification of these leases as either financial or operating leases requires the Trustees to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**3. Critical accounting estimates and areas of judgement (continued)**

*Multi-employer defined benefit pension scheme*

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 27 for further details.

**4. Donations and capital grants**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted fixed asset funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Donations	36,279	-	<b>36,279</b>	15,737
Capital Grants	-	746,360	<b>746,360</b>	328,812
	<u>36,279</u>	<u>746,360</u>	<u><b>782,639</b></u>	<u>344,549</u>
Total 2021	<u>3,737</u>	<u>340,812</u>	<u>344,549</u>	

**Odyssey Trust for Education**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2022**

**5. Funding for the academy trust's**

	<b>Restricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
<b>DfE/ESFA grants</b>			
General Annual Grant	18,882,278	<b>18,882,278</b>	18,523,574
Other DfE/ESFA grants			
Other DfE/ESFA grants	599,284	<b>599,284</b>	673,008
Pupil premium	785,132	<b>785,132</b>	668,626
	<u>20,266,694</u>	<u><b>20,266,694</b></u>	<u>19,865,208</u>
<b>Other Government grants</b>			
Local authority grants	256,218	<b>256,218</b>	222,890
	<u>256,218</u>	<u><b>256,218</b></u>	<u>222,890</u>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Summer school funding	-	-	130,873
Covid-19 catch up premium	-	-	202,760
Covid-19 mass testing income	-	-	87,080
	<u>-</u>	<u>-</u>	<u>420,713</u>
	<u>20,522,912</u>	<u><b>20,522,912</b></u>	<u>20,508,811</u>
	<u>20,522,912</u>	<u><b>20,522,912</b></u>	<u>20,508,811</u>
<b>Total 2021</b>	<u>20,508,811</u>	<u><b>20,508,811</b></u>	

In the year to 31 August 2021, Teachers pay and Teachers pension grants were presented separately in the financial statements. Following a change to the structure of DfE/ESFA funding in the current year, these two grants are now included as part of the General annual grant and are no longer separately identifiable. Therefore the prior year's Teachers pay and Teachers pension grant have been amalgamated with the General annual grant, for comparative purposes.

**Odyssey Trust for Education**  
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**Notes to the financial statements**  
**for the year ended 31 August 2022**

**6. Income from other trading activities**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Hire of facilities	350,360	<b>350,360</b>	169,283
Catering income	230	<b>230</b>	297,496
Trip income	177,885	<b>177,885</b>	(15,257)
Other income	261,622	<b>261,622</b>	64,934
	<u>790,097</u>	<u><b>790,097</b></u>	<u>516,456</u>
<b>Total 2021</b>	<u>516,456</u>	<u><b>516,456</b></u>	

**7. Investment income**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Bank interest receivable	1,140	<b>1,140</b>	344
	<u>344</u>	<u><b>344</b></u>	
<b>Total 2021</b>	<u>344</u>	<u><b>344</b></u>	

**8. Other incoming resources**

	<b>Unrestricted funds 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Income from Insurance claims	8,955	<b>8,955</b>	-
	<u>8,955</u>	<u><b>8,955</b></u>	<u>-</u>



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**for the year ended 31 August 2022**

**9. Expenditure**

	<b>Staff Costs</b> <b>2022</b> £	<b>Premises</b> <b>2022</b> £	<b>Other</b> <b>2022</b> £	<b>Total</b> <b>2022</b> £	<b>Total</b> <b>2021</b> £
Direct costs	14,367,504	-	939,700	<b>15,307,204</b>	15,786,064
Allocated support costs	3,038,668	2,826,929	1,575,219	<b>7,440,816</b>	7,643,790
	<u>17,406,172</u>	<u>2,826,929</u>	<u>2,514,919</u>	<u><b>22,748,020</b></u>	<u>23,429,854</u>
Total 2021	<u>17,901,840</u>	<u>2,392,893</u>	<u>3,135,121</u>	<u>23,429,854</u>	

**10. Analysis of expenditure by activities**

	<b>Activities</b> <b>undertaken</b> <b>directly</b> <b>2022</b> £	<b>Support</b> <b>costs</b> <b>2022</b> £	<b>Total</b> <b>funds</b> <b>2022</b> £	<b>Total</b> <b>funds</b> <b>2021</b> £
Educational operations	<u>15,307,204</u>	<u>7,440,816</u>	<u><b>22,748,020</b></u>	<u>23,429,854</u>
Total 2021	<u>15,786,064</u>	<u>7,643,790</u>	<u>23,429,854</u>	

**Analysis of direct costs**

	<b>Educational</b> <b>operations</b> <b>2022</b> £	<b>Total</b> <b>funds</b> <b>2022</b> £	<b>Total</b> <b>funds</b> <b>2021</b> £
Staff costs	14,367,504	<b>14,367,504</b>	14,713,777
Depreciation	7,016	<b>7,016</b>	31,759
Educational supplies	317,071	<b>317,071</b>	326,866
Technology costs	94,801	<b>94,801</b>	21,278
Examination fees	300,909	<b>300,909</b>	257,041
Educational consultancy	219,903	<b>219,903</b>	435,343
	<u>15,307,204</u>	<u><b>15,307,204</b></u>	<u>15,786,064</u>
Total 2021	<u>15,786,064</u>	<u>15,786,064</u>	

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**10. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational operations 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Pension interest cost	127,000	<b>127,000</b>	129,000
Staff costs	3,038,668	<b>3,038,668</b>	3,188,063
Depreciation	1,309,869	<b>1,309,869</b>	1,335,199
Staff development and recruitment costs	169,576	<b>169,576</b>	219,396
Building maintenance	391,188	<b>391,188</b>	236,588
Rent and rates	153,860	<b>153,860</b>	170,349
Light and heat	449,583	<b>449,583</b>	347,808
Cleaning costs	613,506	<b>613,506</b>	430,424
Catering costs	156,827	<b>156,827</b>	464,105
Computer costs	430,972	<b>430,972</b>	281,294
Other occupancy costs	25,548	<b>25,548</b>	131,990
Security and travel costs	13,643	<b>13,643</b>	30,408
Legal and professional fees	130,754	<b>130,754</b>	321,366
Insurance	72,692	<b>72,692</b>	69,074
Other support costs	357,130	<b>357,130</b>	288,726
	<u>7,440,816</u>	<u><b>7,440,816</b></u>	<u>7,643,790</u>
<b>Total 2021</b>	<u><u>7,643,790</u></u>	<u><u>7,643,790</u></u>	

**11. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2022 £</b>	<b>2021 £</b>
Operating lease rentals	<b>32,414</b>	53,810
Depreciation of tangible fixed assets	<b>1,316,884</b>	1,366,957
Fees paid to auditor for:		
- audit	<b>23,495</b>	22,420
- other services	<b>3,350</b>	3,200
	<u><u>1,349,739</u></u>	<u><u>1,446,487</u></u>

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**Notes to the financial statements**  
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**12. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2022</b>	2021
	£	£
Wages and salaries	<b>12,115,811</b>	12,760,210
Social security costs	<b>1,304,406</b>	1,308,924
Pension costs	<b>3,178,588</b>	3,401,002
	<b>16,598,805</b>	17,470,136
Agency staff costs	<b>718,031</b>	338,984
Staff restructuring costs	<b>89,336</b>	92,720
	<b>17,406,172</b>	17,901,840

Staff restructuring costs comprise:

	<b>2022</b>	2021
	£	£
Redundancy payments	<b>52,331</b>	82,895
Severance payments	<b>37,005</b>	9,825
	<b>89,336</b>	92,720

**b. Severance payments**

The academy trust paid 3 severance payments in the year (2021 - 5), disclosed in the following bands:

	<b>2022</b>	2021
	No.	No.
£0 - £25,000	<b>3</b>	5

**c. Special staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £37,005 (2021: £9,825). Individually the payments were £10,348, £12,784 and £13,872 (2021: £7,724 and £2,101).

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**Notes to the financial statements**  
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**12. Staff (continued)**

**d. Staff numbers**

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

	<b>2022</b>	2021
	<b>No.</b>	No.
Teachers	<b>204</b>	222
Administration and support	<b>137</b>	165
Management	<b>5</b>	6
	<b>346</b>	393

The average headcount expressed as full-time equivalents was:

	<b>2022</b>	2021
	<b>No.</b>	No.
Teachers	<b>196</b>	200
Administration and support	<b>97</b>	99
Management and support	<b>5</b>	6
	<b>298</b>	305

**e. Higher paid staff**

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

	<b>2022</b>	2021
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>12</b>	12
In the band £70,001 - £80,000	<b>6</b>	4
In the band £80,001 - £90,000	<b>3</b>	2
In the band £100,001 - £110,000	<b>1</b>	2
In the band £130,001 - £140,000	<b>1</b>	1

**f. Key management personnel**

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £700,472 (2021 - £635,568).

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**Notes to the financial statements**  
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**13. 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:

		<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Desmond Deehan, Chief Executive Officer	Remuneration	<b>135,000 -</b>	135,000 -
		<b>140,000</b>	140,000
	Pension contributions paid	<b>30,000 -</b>	30,000 -
		<b>35,000</b>	35,000

During the year, retirement benefits were accruing to 1 Trustees (2021 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2022, expenses totalling £339 were reimbursed or paid directly to no Trustee (2021 - £NIL to one Trustee), for expenditure incurred for his role as CEO.

**14. Trustees' and Officers' insurance**

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

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**Notes to the financial statements**  
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**15. Central services**

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

- Executive service (Headteacher role)
- Management and consultancy
- Finance services
- HR services (internal and external)
- School improvement monitoring
- Premises services
- Legal advice
- CPD
- Website (via interactive schools)
- GDPR

The academy trust charges for these services on the following basis:

- 5% of General Annual Grant funding for each academic year from each school in the academy trust

The actual amounts charged during the year were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Townley Grammar School	<b>457,332</b>	770,130
King Henry School	<b>559,344</b>	861,834
<b>Total</b>	<b><u>1,016,676</u></b>	<b><u>1,631,964</u></b>

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**Notes to the financial statements  
for the year ended 31 August 2022**

**16. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 September 2021	34,351,124	25,132,558	1,086,639	768,940	63,770	61,403,031
Additions	146,999	121,268	23,358	116,650	-	408,275
Disposals	-	-	-	(66,018)	-	(66,018)
At 31 August 2022	<u>34,498,123</u>	<u>25,253,826</u>	<u>1,109,997</u>	<u>819,572</u>	<u>63,770</u>	<u>61,745,288</u>
<b>Depreciation</b>						
At 1 September 2021	9,156,881	2,049,039	988,786	695,615	62,000	12,952,321
Charge for the year	936,271	282,521	43,350	52,972	1,770	1,316,884
On disposals	-	-	-	(66,018)	-	(66,018)
At 31 August 2022	<u>10,093,152</u>	<u>2,331,560</u>	<u>1,032,136</u>	<u>682,569</u>	<u>63,770</u>	<u>14,203,187</u>
<b>Net book value</b>						
At 31 August 2022	<u>24,404,971</u>	<u>22,922,266</u>	<u>77,861</u>	<u>137,003</u>	<u>-</u>	<u>47,542,101</u>
At 31 August 2021	<u>25,194,243</u>	<u>23,083,519</u>	<u>97,853</u>	<u>73,325</u>	<u>1,770</u>	<u>48,450,710</u>

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**Notes to the financial statements**  
**for the year ended 31 August 2022**

**16. Tangible fixed assets (continued)**

Included within freehold land and buildings is land at a nominal value of £1, reflecting legal restrictions as to its use.

Included within leasehold land and buildings is land at a value of £6,728,000 (2021: £6,728,000)

Leasehold land and buildings comprise land and buildings occupied on a 125 year lease granted from the London Borough of Bexley.

**17. Stocks**

	2022 £	2021 £
Finished goods and goods for resale	<u>2,216</u>	<u>-</u>

**18. Debtors**

	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	35,739	73,905
Other debtors	339,932	167,750
Prepayments and accrued income	966,432	611,742
	<u>1,342,103</u>	<u>853,397</u>

**19. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Other loans	11,235	11,235
Trade creditors	188,922	393,743
Other taxation and social security	312,780	334,850
Other creditors	556,806	375,293
Accruals and deferred income	590,271	385,218
	<u>1,660,014</u>	<u>1,500,339</u>



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	2022 £	2021 £
Deferred income at 1 September 2021	184,982	58,456
Resources deferred during the year	71,113	184,982
Amounts released from previous periods	(184,982)	(58,456)
	<u>71,113</u>	<u>184,982</u>

At the balance sheet date the Academy Trust was holding funds received in advance for trips, LCEP Grant Funding, Duke of Edinburgh Award and other income.

**20. Creditors: Amounts falling due after more than one year**

	2022 £	2021 £
Other loans	<u>53,247</u>	<u>64,482</u>

Included within other loans are:

- £20,000 interest free Salix loan with £17,500 outstanding at year end
- £27,123 interest free Salix loan with £13,560 outstanding at year end
- £50,000 CIF loan with interest at 1.26% with £44,657 outstanding at year end

These are due to be fully repaid by 31 August 2030.

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**Notes to the financial statements**  
**for the year ended 31 August 2022**

**21. Statement of funds**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
General Funds	218,990	836,471	(292,391)	(228,785)	-	534,285
<b>Restricted general funds</b>						
General Annual Grant	-	18,909,681	(18,933,554)	88,777	-	64,904
Pupil Premium	-	785,132	(785,132)	-	-	-
Other DfE/EFSA Grants	-	571,881	(571,881)	-	-	-
Other Government Grants	-	256,218	(256,218)	-	-	-
Pension reserve	(7,802,000)	-	(599,000)	-	6,748,000	(1,653,000)
	<b>(7,802,000)</b>	<b>20,522,912</b>	<b>(21,145,785)</b>	<b>88,777</b>	<b>6,748,000</b>	<b>(1,588,096)</b>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	48,450,710	-	(1,316,885)	408,276	-	47,542,101
DfE/ESFA capital grant	-	65,392	-	(65,392)	-	-
Other capital	-	680,968	7,041	(202,876)	-	485,133
	<b>48,450,710</b>	<b>746,360</b>	<b>(1,309,844)</b>	<b>140,008</b>	<b>-</b>	<b>48,027,234</b>
<b>Total Restricted funds</b>	<b>40,648,710</b>	<b>21,269,272</b>	<b>(22,455,629)</b>	<b>228,785</b>	<b>6,748,000</b>	<b>46,439,138</b>
<b>Total funds</b>	<b>40,867,700</b>	<b>22,105,743</b>	<b>(22,748,020)</b>	<b>-</b>	<b>6,748,000</b>	<b>46,973,423</b>

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

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

GAG represents funds to be used to cover the normal running costs of the Academy Trust.

Pupil premium funding is provided in order to be used to support disadvantaged pupils and to assist them in decreasing the attainment gap between those pupils and their peers.

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**Notes to the financial statements**  
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**21. Statement of funds (continued)**

UIFSM supports schools in delivering the legal requirement to offer free school meals to all reception, year 1 and year 2 pupils.

The catch-up premium is a one-off grant for the 2021/22 academic year to support children and young people to catch up lost time after school closure, with allocations calculated on a per pupil basis, using census data, in line with the general annual grant (GAG).

Teachers' pay and pension grants are to provide support to schools in respect of the teachers' pay awards.

Other DfE/ESFA grants represents grants provided for specific purposes, such as rates related and PE and sports premium is funding to make additional and sustainable improvements to the quality of the PE, physical activity and sport schools provide.

Other government grants represent those grants provided for specific purposes to provide additional support to the pupils where required.

The Restricted Fixed Asset Fund represents the net book value of tangible fixed assets. Transfers within this section were made to ensure the analysis correctly reflected tangible fixed assets and capital grants available to spend.

The DfE/ESFA capital grants fund is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

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 2022.

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**Notes to the financial statements**  
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**21. Statement of funds (continued)**

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds	652,447	520,537	(21,806)	(932,188)	-	218,990
<b>Restricted general funds</b>						
General Annual Grant	-	17,820,872	(18,627,822)	806,950	-	-
Pupil Premium	-	668,626	(668,626)	-	-	-
Teachers Pension Grant	-	702,702	(702,702)	-	-	-
Bursary fund	-	51,596	(51,596)	-	-	-
Other DfE/EFSA Grants	-	1,042,125	(1,042,125)	-	-	-
Other Government Grants	-	222,890	(222,890)	-	-	-
Pension reserve	(7,478,000)	-	(646,000)	-	322,000	(7,802,000)
	<u>(7,478,000)</u>	<u>20,508,811</u>	<u>(21,961,761)</u>	<u>806,950</u>	<u>322,000</u>	<u>(7,802,000)</u>
<b>Restricted fixed asset funds</b>						
Restricted fixed asset fund	49,411,208	-	(1,446,287)	485,789	-	48,450,710
DfE/ESFA capital grant	19,739	340,812	-	(360,551)	-	-
	<u>49,430,947</u>	<u>340,812</u>	<u>(1,446,287)</u>	<u>125,238</u>	<u>-</u>	<u>48,450,710</u>
<b>Total Restricted funds</b>	<u>41,952,947</u>	<u>20,849,623</u>	<u>(23,408,048)</u>	<u>932,188</u>	<u>322,000</u>	<u>40,648,710</u>
<b>Total funds</b>	<u><u>42,605,394</u></u>	<u><u>21,370,160</u></u>	<u><u>(23,429,854)</u></u>	<u><u>-</u></u>	<u><u>322,000</u></u>	<u><u>40,867,700</u></u>

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**Notes to the financial statements**  
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**21. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Odyssey Trust for Education	44,875	(12,232)
Townley Grammar School	489,898	245,997
King Henry School	64,416	(14,775)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	599,189	218,990
Restricted fixed asset fund	48,027,234	48,450,710
Pension reserve	(1,653,000)	(7,802,000)
	<hr/>	<hr/>
<b>Total</b>	<b>46,973,423</b>	<b>40,867,700</b>
		<hr/>
		<b>Deficit</b>
		<b>£</b>
		-
		-
		<hr/>

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**Notes to the financial statements**  
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**21. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Odyssey Trust for Education	306,898	506,056	14,436	161,454	<b>988,844</b>	1,426,246
Townley Grammar School	5,876,210	1,677,842	303,860	1,405,873	<b>9,263,785</b>	9,306,126
King Henry School	6,226,727	2,939,439	394,485	1,617,855	<b>11,178,506</b>	11,312,225
<b>Academy trust</b>	<b>12,409,835</b>	<b>5,123,337</b>	<b>712,781</b>	<b>3,185,182</b>	<b>21,431,135</b>	<b>22,044,597</b>

**22. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	47,542,101	<b>47,542,101</b>
Current assets	623,062	1,696,429	478,092	<b>2,797,583</b>
Creditors due within one year	-	(1,660,014)	-	<b>(1,660,014)</b>
Creditors due in more than one year	-	(53,247)	-	<b>(53,247)</b>
Provisions for liabilities and charges	-	(1,653,000)	-	<b>(1,653,000)</b>
Difference	(88,777)	81,736	7,041	-
<b>Total</b>	<b>534,285</b>	<b>(1,588,096)</b>	<b>48,027,234</b>	<b>46,973,423</b>

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**Notes to the financial statements**  
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**22. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	48,450,710	48,450,710
Current assets	218,990	1,564,821	-	1,783,811
Creditors due within one year	-	(1,500,339)	-	(1,500,339)
Creditors due in more than one year	-	(64,482)	-	(64,482)
Provisions for liabilities and charges	-	(7,802,000)	-	(7,802,000)
<b>Total</b>	<b>218,990</b>	<b>(7,802,000)</b>	<b>48,450,710</b>	<b>40,867,700</b>

**23. Reconciliation of net expenditure to net cash flow from operating activities**

	2022 £	2021 £
Net expenditure for the year (as per statement of financial activities)	(642,277)	(2,059,694)
<b>Adjustments for:</b>		
Loss on disposal of fixed assets	-	79,330
Depreciation	1,316,884	1,366,957
Capital grants from DfE and other capital income	(258,845)	(328,812)
Interest receivable	(1,140)	(344)
Defined benefit pension scheme cost less contributions payable	472,000	517,000
Defined benefit pension scheme finance cost	127,000	129,000
(Increase)/decrease in stocks	(2,216)	-
Increase in debtors	(488,706)	(54,111)
Increase in creditors	159,675	352,574
<b>Net cash provided by operating activities</b>	<b>682,375</b>	<b>1,900</b>

**24. Cash flows from financing activities**

	2022 £	2021 £
Repayments of borrowing	(11,235)	(12,062)
<b>Net cash used in financing activities</b>	<b>(11,235)</b>	<b>(12,062)</b>

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**25. Cash flows from investing activities**

	<b>2022</b>	2021
	£	£
Dividends, interest and rents from investments	<b>1,140</b>	344
Purchase of tangible fixed assets	<b>(408,275)</b>	(485,789)
Capital grants from DfE Group	<b>258,845</b>	328,812
<b>Net cash used in investing activities</b>	<b>(148,290)</b>	(156,633)

**26. Analysis of cash and cash equivalents**

	<b>2022</b>	2021
	£	£
Cash in hand and at bank	<b>1,453,264</b>	930,414
<b>Total cash and cash equivalents</b>	<b>1,453,264</b>	930,414

**27. Analysis of changes in net debt**

	<b>At 1 September 2021</b>	<b>Cash flows</b>	<b>At 31 August 2022</b>
	£	£	£
Cash at bank and in hand	<b>930,414</b>	<b>522,850</b>	<b>1,453,264</b>
Debt due within 1 year	<b>(11,235)</b>	-	<b>(11,235)</b>
Debt due after 1 year	<b>(64,482)</b>	<b>11,235</b>	<b>(53,247)</b>
	<b>854,697</b>	<b>534,085</b>	<b>1,388,782</b>



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**28. Pension commitments**

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

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

Contributions amounting to £ - were payable to the schemes at 31 August 2022 (2021 - £277,433) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £ - (2021 - £2,109,828).

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

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

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**28. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £ - (2021 - £744,000), of which employer's contributions totalled £ - (2021 - £596,000) and employees' contributions totalled £ - (2021 - £148,000). The agreed contribution rates for future years are 19.4 - 20.3 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

**Principal actuarial assumptions**

	<b>2022</b>	2021
	%	%
Rate of increase in salaries	<b>4.4</b>	4.2
Rate of increase for pensions in payment/inflation	<b>3.0</b>	2.8
Discount rate for scheme liabilities	<b>4.3</b>	1.7
Inflation assumption (CPI)	<b>2.9</b>	2.7

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

	<b>2022</b>	2021
	Years	Years
Retiring today		
Males	<b>22.3</b>	22.5
Females	<b>25.1</b>	25.2
Retiring in 20 years		
Males	<b>23.9</b>	24.1
Females	<b>27.1</b>	27.2

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**28. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>(301)</b>	<b>(431)</b>
Discount rate -0.1%	<b>307</b>	<b>439</b>
Mortality assumption - 1 year increase	<b>349</b>	<b>770</b>
Mortality assumption - 1 year decrease	<b>(341)</b>	<b>(746)</b>
CPI rate +0.1%	<b>306</b>	<b>439</b>
CPI rate -0.1%	<b>(300)</b>	<b>(431)</b>

**Share of scheme assets**

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

	<b>At 31</b>	<b>At 31 August</b>
	<b>August 2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Equities	<b>5,213,000</b>	<b>4,876,000</b>
Other bonds	<b>1,912,000</b>	<b>2,975,000</b>
Government bonds	<b>1,763,000</b>	<b>2,223,000</b>
Property	<b>2,419,000</b>	<b>1,743,000</b>
Cash and other liquid assets	<b>1,000,000</b>	<b>1,615,000</b>
Other assets	<b>2,629,000</b>	<b>2,559,000</b>
<b>Total market value of assets</b>	<b>14,936,000</b>	<b>15,991,000</b>

The actual return on scheme assets was £ (2021 - £1,844,000).

The amounts recognised in the Statement of financial activities are as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Current service cost	<b>980,000</b>	<b>1,084,000</b>
Interest income	<b>(271,000)</b>	<b>(251,000)</b>
Interest cost	<b>398,000</b>	<b>380,000</b>
Administrative expenses	<b>24,000</b>	<b>29,000</b>
<b>Total amount recognised in the Statement of financial activities</b>	<b>1,131,000</b>	<b>1,242,000</b>

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**28. Pension commitments (continued)**

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

	2022 £	2021 £
<b>At 1 September 2018</b>	<b>23,793,000</b>	21,246,000
Interest cost	398,000	380,000
Employee contributions	149,000	148,000
Actuarial (gains)/losses	(7,844,000)	1,271,000
Benefits paid	(978,000)	(336,000)
Current service cost	980,000	1,084,000
Plan introductions, benefit changes, curtailments and settlements	91,000	-
	<u>16,589,000</u>	<u>23,793,000</u>

Changes in the fair value of the academy trust's share of scheme assets were as follows:

	2022 £	2021 £
<b>At 1 September 2018</b>	<b>15,991,000</b>	13,768,000
Interest income	271,000	251,000
Actuarial (losses)/gains	(1,096,000)	1,593,000
Employer contributions	623,000	596,000
Employee contributions	149,000	148,000
Benefits paid	(978,000)	(336,000)
Administrative expenses	(24,000)	(29,000)
	<u>14,936,000</u>	<u>15,991,000</u>

**29. Operating lease commitments**

At 31 August 2022 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022 £	2021 £
Not later than 1 year	7,268	32,414
Later than 1 year and not later than 5 years	3,768	11,036
	<u>11,036</u>	<u>43,450</u>

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**30. 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.

**31. Related party transactions**

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

During the year Mrs J Deehan, the wife of Mr D Deehan (a Director) was employed at Odyssey Trust for Education. J Deehan's appointment was made in open competition and D Deehan was not involved in the decision-making process regarding appointment. J Deehan is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

**32. Post balance sheet events**

During the year the Trust forged a partnership with Leigh Academies Trust to provide support to King Henry School following its Ofsted inspection in May 2022. In November 2022 it was confirmed upon formal approval with the ESFA that King Henry will transfer to Leigh Academies Trust with a planned transfer date in April 2023.

**33. Agency arrangements**

The Academy Trust distributes 16-19 bursary funds as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £50,389 (2021: £57,745) and disbursed £25,947 (2021: £51,596) from the fund. An amount of £151,385 (2021: £128,098) is included in other creditors, of which £100,996 is being repaid to the ESFA, and £50,389 is being held forward to expend for another year. Any remaining undistributed funds at the end of the following year will be repayable to ESFA.

**34. Controlling party**

The academy trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.