

Company Registration No. 08313108 (England and Wales)

**OMEGA MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OMEGA MULTI-ACADEMY TRUST

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OMEGA MULTI-ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

A J Bent
G Brown
G Harrison
D Platt
S Tottie

Trustees

A J Bent (Chair)
B Conboy (Appointed 1 January 2020)
P Goodwin (Resigned 31 December 2019)
R Hannibal
D Jones (Appointed 1 July 2020)
L Jordan (Appointed 1 January 2020)
J Joyce
N Shafiq
J A Wright (Chief Executive Officer)
R Young (Appointed 1 January 2020)

Senior management team

- Chief Executive Officer J A Wright
- Chief Financial Officer A G Keating ACMA

Company registration number 08313108 (England and Wales)

Registered office Barrow Hall Lane
Great Sankey
Warrington
Cheshire
WA5 3AA

Academies operated	Location	Head Teacher
Great Sankey High School and Barrowhall College	Warrington	J Shannon
Burtonwood Community Primary School	Warrington	H Muttock
Chapelford Village Primary School	Warrington	J Hewson
Park Road Community Primary School	Warrington	N Parkinson
Westbrook Old Hall Community Primary School	Warrington	S Quinn

Independent auditor Jackson Stephen LLP
James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

OMEGA MULTI-ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
Horsemarket Street
Warrington
Cheshire
WA1 1TP

Solicitors

Browne Jacobson LLP
5th Floor, Tower 12
18 - 22 Bridge Street
Spinningfields
Manchester
M3 3BZ

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Omega Multi-Academy Trust (Omega MAT) was incorporated on 29 November 2012 with Great Sankey High School. On 1 January 2018 it became a Multi-Academy trust, with 4 more academies joining the trust. The schools in the trust are:

- i) Great Sankey High School and Barrow Hall College
- ii) Burtonwood County Primary School
- iii) Chapelford Village Primary School
- iv) Park Road Community Primary School
- v) Westbrook Old Hall Primary School

Omega Multi-Academy Trust operates a Multi-Academy Trust (MAT) for pupils aged 4 to 18 serving catchment areas in Great Sankey, Burtonwood, Chapelford, Park Road and Westbrook Old Hall.

Great Sankey High School has a pupil capacity of 1,936 and had a roll of 2,006 (1,714 aged 11-16 and 292 aged 16-18) in the 2019 autumn term School Census. School numbers on roll for the other four Schools within the MAT were as follows:

- i) Burtonwood County Primary - 203
- ii) Chapelford Village Primary - 557
- iii) Park Road Community Primary - 208
- iv) Westbrook Old Hall Primary - 370

Total Student Numbers can be summarised into age bands as follows:

Age	Pupils
4-11	1,338
11-16	1,714
16-18	<u>292</u>
Total	<u>3,344</u>

Discussion on conversion to academy trust

Upon the conversion to MAT status under the Academies Act 2010 all the operations, assets and liabilities pertaining to the transferring schools were transferred to Omega Multi-Academy Trust from the Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of Financial Activities as voluntary income.

Structure, governance and management

Constitution

The MAT is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the MAT.

The trustees of Omega MAT are also the directors of the charitable company for the purposes of company law. The charitable company operates as Omega Multi-Academy Trust.

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

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Members' liability

All Schools within the Omega Multi-Academy Trust are members of the Risk Protection Arrangement (RPA) provided to Academies by the Department for Education (DfE) as an alternative to a commercial insurance arrangement.

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, every Governor or other officer of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy Trust. From 1 September 2019 to 31 August 2020 cover was provided through the Risk Protection Arrangement (RPA) which provides unlimited cover.

Method of recruitment and appointment or election of Trustees

The management of the MAT is the responsibility of the Trustees who are elected and co-opted under the terms set out in the Articles of Association.

The Trustees are Directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of the charity legislation. Trustees are appointed by Members.

There is a formal application process for new Trustees. Trustees are appointed as and when vacancies occur or when individuals with the skills required are identified.

Each Academy within the Trust maintains a Local Governing Body (which includes staff and parents), which operates as a Committee of the Trust Board.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Chief Executive Officer (CEO). Subject to remaining eligible to be a particular type of Trustee any Trustee may be reappointed or re-elected.

The Trustees who were in office at 31 August 2020 and who served during the period are included in the Reference and Administrative section of the financial statements found on page 1.

Policies and procedures adopted for the induction and training of Trustees

Trustees' eligibility is scrutinised in the application process and before appointment. Great emphasis is placed on the seven principles of public office.

Training and induction for new Trustees is given on an individual basis and includes one to one meetings with the senior executive officers, other key staff and trustees, visits to the schools and the Governor's Handbook.

Where necessary induction will include training on educational, legal and financial matters. All new Trustees are provided with copies of key documents such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Trustees.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The MAT has been trading in its current form since 1 January 2018. Prior to 1 January 2018 the company was a single Academy Trust trading as Great Sankey High School from 1 January 2013 having been incorporated on 29 November 2012. It has developed a governance and management structure deemed appropriate to the MAT's constitution and objectives.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring its financial and operating performance and making strategic decisions about the direction of the MAT, approving major items of expenditure and making senior staff appointments.

The MAT operates a committee structure reporting to the main MAT Board. The committees, which meet regularly, include Executive Trustees' Group, Finance, Audit and Risk (termly) and Remuneration (annually). Other committees meet as required across the year. All committees have approved terms of reference. In addition to the MAT committee structure a similar structure is replicated within each School at Local Governing Body level.

During the course of the period to 31 August 2020 the full MAT Board met five times and one AGM was held.

The Trustees have approved a scheme of financial and decision making delegation which clearly sets out the level of authority delegated to the Chief Executive Officer who is also accounting officer, Head Teachers and members of the staff.

The CEO, CFO, the Trustees and the Local Governing Bodies are responsible for developing and implementing MAT plans that seek to deliver the best possible outcomes for its students within the agreed budget and scheme of delegation approved by Trustees. There are terms of reference for all Committees.

Arrangements for setting pay and remuneration of key management personnel

The Local Governing Bodies set pay and manage the appraisals through their Pay Committees at the start of the year. The MAT Board is working towards a common pay policy across the MAT.

The Executive Trustees Group (consisting of the Chair of Trustees, Vice Chair of Trustees and Chairs of the Committees) conduct the performance management and remuneration of the CEO, who in turn will carry out the performance management of the CFO. The five Head Teacher appraisals are to be undertaken by representatives from the Local Governing Bodies and the CEO.

There were no relevant Trade Union officials during the reporting period. A Trade Union Recognition Agreement (TURA), however, was signed with effect from 1 September 2019 for the MAT. The cost for facilities time during the year, which is arranged through Warrington Borough Council, was £10,955.

Related parties and other connected charities and organisations

Due to the nature of the MAT's operations and the composition of the board of trustees (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving organisations in which a member of the board of trustees may have an interest are conducted at arm's length and in accordance with the MAT's financial policy and procedures. Any transactions are disclosed in note 25.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is set out in the Articles of Association. In summary it is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

In addition, the MAT aims, in its role as a designated National Teaching School, to improve teaching and learning on a wider basis across school communities through partnership arrangements.

In accordance with the Articles of Association of the MAT, the MAT has adopted a Funding Agreement approved by the Secretary of State for Education. The Funding Agreement specifies, among other things, the basis for admitting students to the MAT, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum.

Objectives, strategies and activities

The Omega Multi-Academy Trust aims:

- to provide access to high quality education for its most local community;
- to provide a continuity of education from age 4 to 19 for its pupils;
- to provide school improvement opportunities for MAT partners and others;
- to provide school leaders the time and facilities to prioritise children and their learning.

Whilst schools in the Trust will retain much of their unique nature, the ten central values, placing the students at the heart of education, ensure a common direction and purpose.

The Trust's Strategic Objectives are set out in its Strategic Plan as:

To provide the best school experience possible: increasing the range and quality of curriculum offer and extra-curricular activities and opportunities available to pupils to develop as individuals and achieve their potential academically.

To improve pupil-preparedness for the next phase of their development, education and training: developing expectations and aspirations from an earlier start with regular skill-based development sessions and careers, information and guidance.

To review the traditional Key Stage approach to reduce transition issues and remove barriers to learning: developing a cross-phase focus on Years 5 to 8 to enhance provision to counteract the KS3 dip in attainment and improve student outcomes both academically and socially; sharing best practice to reduce transition-related barriers at each key stage.

To improve the quality of teaching: increasing the range and quality of CPD for all staff to improve the Trust's 'professional capital', targeting leadership and talent development and succession planning, offering experiences across the schools.

To improve the quality of leadership: talent-spotting for specific training programmes, which is matched to areas of need, as well as growing future leaders generically; providing opportunities for personal development across the phases and academies to retain quality individuals within the Trust.

To ensure financial security, stability and probity across the Trust: developing meaningful and manageable targets for the range and quality of central services, ensuring value for money and supporting the basic principle of directing the majority of funding to the children, through improving school resources and experiences.

Public benefit

In setting the MAT's objectives and planning activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. There are a wide range of extra-curricular activities, educational trips, visits and foreign trips offered and undertaken.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Strategic report

CEO Overview of Year

This year has brought great challenges, in a year like no other previously experienced, due to the unprecedented nature of the world-wide pandemic and the restrictions placed on schools' opening and the continually changing guidance we have needed to respond to with risk assessment and regular planning. Schools remained open through the national lockdown, which has meant additional expenditure, some areas of which are ongoing issues like Free School Meals. Schools leaders have had to focus on Health and Safety first, protecting staff and students, providing for well-being and cleaning regimes. Within the same time frame, with less time to focus on normal School Self-Evaluation processes, they have needed to provide exam replacement grades (Centre Assessment Grades), Remote Learning and Catch Up Premium planning, in addition to dealing daily with positive cases and their impact on capacity to deliver the curriculum. These are all ongoing issues, which move into the financial year 2020-21.

Achievements and performance

The trustees receive a report from the Chief Executive Officer, documenting progress made against the objectives of the Strategic Plan. In each school, similarly, the Local Governing Body (LGB) receives a report from the Headteacher on progress against the objectives of the SIP. Wherever possible performance is benchmarked against similar schools and/or national averages.

The government took the decision to cancel Key Stage 2 SATs in primary, along with Key Stage 1 Phonics testing. The latter has been replaced with KS2 Phonics testing, which will take place this autumn term, to ensure that no pupil is overlooked for the support they need. This means that we do not have the range or detail of assessment grades to report for our four primary schools. This is not a worry, as 2019 results were good or better and the school-based development plans in place, targeted clear avenues for further progress and school improvement.

GCSEs, BTECs and A Levels were replaced as stated by teacher-assessed CAGs, based on a range of issues. The government's approach to comparative outcomes involved a flawed algorithm initially, which reverted to school-based grades. Whilst 2021 is set to see a return to exams, in reality, given any further school closures, this may well return to CAGs. The CAH data for GSHS below:

Attainment and Progress

A Level Grades	A*-A		A*-C		A*-E	
Year	2019	2020	2019	2020	2019	2020
%	13.6	33.3	65.4	83.0	98.9	100
GCSE Measure	2018		2019		2020	
Progress 8	0.03		0.2		0.37*	
Attainment 8	51.0		51.87		54.09	
Grade 5 or above in En and Ma	56.30%		54.10%		64	
Grade 4 (C) or above in En and Ma	75.80%		78%		81.4	
Ebacc	15%		17.6%		13.2	
Ebacc entered	25.90%		24.30%		19.6	

* as yet unvalidated

All GCSEs are now graded using the 9-1 system. Qualifications this year were awarded on the basis of the higher of the centre assessed grade or the exam board moderated grade.

79.4% of students achieved five passes or more including Maths and English. 17.4% achieved the highest grades 9-7 in English and Maths. 33.4% achieved the highest grades 9-7 in English. 23.8% achieved the highest grades 9-7 in Maths. 57.3% achieved the highest grades 9-7 in separate Sciences. 64.0% achieved strong passes 9-5 in English and Maths.

2020 SATS results overview

Due to the Coronavirus pandemic and lockdown restrictions no SATs were undertaken in 2020.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Key performance indicators

Relevant KPIs for the MAT are as follows:

Days of GAG – SBS	75.84 Days
GAG Income/Total Income	88.58%
Net Assets Ratio	1.83
Net Current Asset/Income	9.68%
Net Surplus Income/Expenditure	3.79%
Staff Costs/Total Expenditure	80.16%
Total Income/Total Expenditure	98.68%
Total staff costs per staff member (including agency)	£35,407
Average teacher cost (based on FTE)	£51,524
Pupil teacher ratio (excluding management)	18.48
Total reserves as a percentage of current GAG funding	6.74%
Total reserves as a percentage of total expenditure	6.24%

Going concern

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

Financial review

These financial statements reflect a 12 month period of operation. The majority of recurring income received is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent General Annual Grant (GAG) funding, the use of which is restricted for the day to day running of the Academy Trust. Total grants received from the ESFA are set out in the statement of financial activities.

During the period the MAT received £15,788k of funding for educational operations. Capital grants amounted to £978k, Teaching School income amounted to £275k and other income totalled £675k.

Expenditure for the period totalled £16,962k (excluding depreciation and other fixed asset costs). This includes £13,563k of staff related costs supporting the day to day running of the Multi-Academy Trust and its Teaching School.

The MAT also inherited the Local Government Pension Scheme (LGPS) liability. The LGPS liability stands at £4,899k as at 31 August 2020. This is detailed in note 20 of the financial statements.

As at 31 August 2020 the net book value of fixed assets is £45,984k, as shown in note 13 of the financial statements. The assets were used for providing education and the associated support services to the pupils of the Academy Trust.

Reserves policy

The Trustees determine what the appropriate level of uncommitted reserves should be. The aims are:

- to provide sufficient working capital to cover delays between spending and receipt of grants;
- to provide contingency funding for unexpected emergencies;
- to remain appropriately funded over the medium term in order to deliver the Academy Trust's Plan; and
- to provide funding capacity for future estate maintenance and planned capital investment.

The Trustees have reviewed these reserve levels and believe that they should provide sufficient working capital to cover its above stated aims. Under normal circumstances the Trustees would aim to maintain available reserves (combining GAG related and unrestricted reserves) of £700,000, a level equivalent to 5% of the budgeted annual expenditure. The Multi-Academy trust has 'free reserves' of £873k as at 31 August 2020. This level will be reviewed annually in light of prevailing risks and planned developments.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Investment policy

The MAT plans to invest only in low risk bank deposit accounts, aligned to the MAT's reserves policy, with the flexibility to invest across a range of account terms in order to balance liquidity and return.

Principal risks and uncertainties

As a MAT funded directly by the Department for Education, funding streams are considered to be relatively secure subject to the management of pupil numbers, although the Trustees recognise government policy and overall funding levels present an external risk to be managed.

The Trustees have a risk management strategy and policy which is managed and reviewed on a regular basis. The MAT manages its finances to ensure a healthy level of reserves adequate to cover unforeseen circumstances and to make planned use of these reserves as a part of its medium term financial plan.

The MAT has developed a Risk Register which identifies Strategic, Financial, Operation and People Risks. The Risk Register is being further developed to assess the impact of Controls and Mitigating Actions with a view to reducing the level of "risk" identified if Controls and Mitigating Actions were not in place.

Fundraising

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

Streamlined energy and carbon reporting

	Gas KWH	Electric KWH	Minibus KWH	Total
Great Sankey	1,174,917	742,912	3,300	1,921,129
Burtonwood	259,593	149,739	1,100	410,432
Chapelford	62,381	237,401	0	299,782
Park Road	94,472	125,199	0	219,671
Westbrook Old Hall	228,030	100,658	0	328,688
Total	1,819,393	1,355,909	4,400	3,179,702
Scope 1	1	2	3	
tCO ₂ e	334.53	316.12	1.22	651.87
Total number of pupils				3,344
tCO ₂ e per pupil				0.19

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂ equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The MAT actively looks for ways to ensure it is as efficient as possible.

Plans for future periods

The MAT has entered into a new and exciting era and looks forward to working closely with all of the schools in the trust to strengthen the educational and pastoral development of children from 4 to 18 as they progress through their education.

OMEGA MULTI-ACADEMY TRUST

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Auditor

In so far as the Trustees are aware:

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

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 04 December 2020 and signed on its behalf by:



A J Bent
Chair



J A Wright
Chief Executive Officer

OMEGA MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer Mr J Wright, 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 Omega Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The MAT board has formally met 8 times during the year. Attendance during the year at meetings was as follows:

Trustees	Meetings attended	Out of possible
A J Bent (Chair)	8	8
B Conboy (Appointed 1 January 2020)	7	7
P Goodwin (Resigned 31 December 2019)	0	2
R Hannibal	7	8
D Jones (Appointed 1 July 2020)	1	1
L Jordan (Appointed 1 January 2020)	6	7
J Joyce	8	8
N Shafiq	4	8
J A Wright (Chief Executive Officer)	8	8
R Young (Appointed 1 January 2020)	7	7

The Chair of Trustees was appointed as a National Leader of Governance (NLG) in February 2016 and was appointed as Chair of Trustees of the MAT from 1 January 2018.

The Finance, Audit and Risk Committee is a sub-committee of the governing body/main board of Trustees. Its purpose is to discuss key aspects of the financial management, the system of internal control of the MAT and to review the audit arrangements applied. During the period the committee did not meet but its work was subsumed by the MAT board.

Review of value for money

As accounting officer, the Chief Executive Officer (CEO) has responsibility for ensuring that the MAT delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the MAT has delivered improved value for money during the year by:

- Regular reports to committees on performance and comparison with peer schools
- Development of the Risk Register
- Delivering a full programme of internal audit
- Updating and implementing of financial procedures maintained

OMEGA MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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 MAT trust policies, aims and objectives, to evaluate the likelihood of those risks being realised the impact should then be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Sankey High School for the period from 1 September 2017 to 31 December 2017 and for Omega Multi-Academy Trust from 1 January 2018 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the MAT's significant risks that have been in place period from 1 September 2019 to 31 August 2020 and up to the date of the approval of the annual report and financial statements. The process will be regularly reviewed by the Board.

The risk and control framework

The MAT'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 MAT Board;
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- delegation of authority and segregation of duties.

The board of trustees has considered the need for a specific internal audit function and has decided:

- To appoint an internal auditor to the MAT, following a period of consolidating systems and procedures in the new MAT.

The internal auditor's role will include a 3 year work programme and will include giving advice on financial matters and performing a range of checks on the MAT's financial systems.

Review of effectiveness

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

- the work of the external auditor;
- the work of the executive managers within the MAT who have responsibility for the development and maintenance of the internal control framework.

OMEGA MULTI-ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

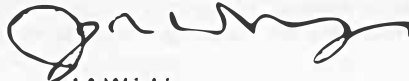
FOR THE YEAR ENDED 31 AUGUST 2020

Moving forward the accounting officer will continue to be advised of the implications of the results of the review of system of internal control by the Finance, Audit and Risk Committee and will plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 04 December 2020 and signed on its behalf by:



A J Bent
Chair



J A Wright
Chief Executive Officer

OMEGA MULTI-ACADEMY TRUST

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

As accounting officer of Omega Multi-Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

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



J A Wright
Accounting Officer

04 December 2020

OMEGA MULTI-ACADEMY TRUST

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Omega Multi-Academy Trust for the purposes of company law) are responsible for preparing the trustees report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

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

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

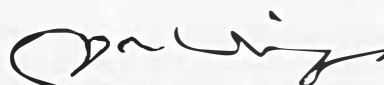
The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from ESFA/DfE have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

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

Approved by order of the members of the board of trustees on 04 December 2020 and signed on its behalf by:



A J Bent
Chair



J A Wight
Chief Executive Officer

OMEGA MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA MULTI-ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

OMEGA MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA MULTI-ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees report, including the incorporated strategic report.

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

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

Responsibilities of Trustees

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

In preparing the accounts, the Trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

OMEGA MULTI-ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF OMEGA MULTI-ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

Jackson Steplen LLP

**Peter Atkinson F.C.A. (Senior Statutory Auditor)
for and on behalf of Jackson Stephen LLP**

15 December 2020
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**Chartered Accountants
Statutory Auditor**

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

OMEGA MULTI-ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OMEGA MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 23 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Omega Multi-Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Omega Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Omega Multi-Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of the systems in place that govern income, expenditure and payroll as outlined in the financial procedure manual
- Substantive testing of income and expenditure
- Analytical review
- Obtaining evidence relevant to the regulatory and propriety of the academy's income and expenditure.

OMEGA MULTI-ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO OMEGA MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

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

Jackson Stepler LLP

Reporting Accountant
Jackson Stephen LLP

Dated: 15 December 2020

OMEGA MULTI-ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2020 £	Total 2019 £
Income and endowments from:						
Donations and capital grants	3	28,349	-	977,892	1,006,241	4,100,489
Charitable activities:						
- Funding for educational operations	4	-	15,788,194	-	15,788,194	14,319,035
- Funding for teaching school	26	-	274,962	-	274,962	241,449
Other trading activities	5	632,607	-	-	632,607	1,254,990
Investments	6	14,260	-	-	14,260	13,544
Total		675,216	16,063,156	977,892	17,716,264	19,929,507
Expenditure on:						
Raising funds	7	356,901	-	-	356,901	623,708
Charitable activities:						
- Educational operations	9	249,076	16,104,291	894,437	17,247,804	15,841,473
- Teaching school	26	-	250,936	-	250,936	225,481
Total	7	605,977	16,355,227	894,437	17,855,641	16,690,662
Net income/(expenditure)		69,239	(292,071)	83,455	(139,377)	3,238,845
Transfers between funds	18	(1,576,797)	(786,266)	2,363,063	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	20	-	(463,000)	-	(463,000)	(1,829,000)
Net movement in funds		(1,507,558)	(1,541,337)	2,446,518	(602,377)	1,409,845
Reconciliation of funds						
Total funds brought forward		2,380,762	(3,172,572)	44,195,626	43,403,816	41,993,971
Total funds carried forward		873,204	(4,713,909)	46,642,144	42,801,439	43,403,816

OMEGA MULTI-ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted funds £	Restricted funds: General	Fixed asset £	Total 2019 £
Income and endowments from:					
Donations and capital grants	3	53,236	-	4,047,253	4,100,489
Charitable activities:					
- Funding for educational operations	4	-	14,319,035	-	14,319,035
- Funding for teaching school	26	-	241,449	-	241,449
Other trading activities	5	1,254,990	-	-	1,254,990
Investments	6	13,544	-	-	13,544
Total		<u>1,321,770</u>	<u>14,560,484</u>	<u>4,047,253</u>	<u>19,929,507</u>
Expenditure on:					
Raising funds	7	623,708	-	-	623,708
Charitable activities:					
- Educational operations	9	248,707	14,701,580	891,186	15,841,473
- Teaching school	26	-	225,481	-	225,481
Total	7	<u>872,415</u>	<u>14,927,061</u>	<u>891,186</u>	<u>16,690,662</u>
Net income/(expenditure)		449,355	(366,577)	3,156,067	3,238,845
Transfers between funds	18	(57,426)	247,758	(190,332)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(1,829,000)	-	(1,829,000)
Net movement in funds		391,929	(1,947,819)	2,965,735	1,409,845
Reconciliation of funds					
Total funds brought forward		1,988,833	(1,224,753)	41,229,891	41,993,971
Total funds carried forward		<u>2,380,762</u>	<u>(3,172,572)</u>	<u>44,195,626</u>	<u>43,403,816</u>


OMEGA MULTI-ACADEMY TRUST

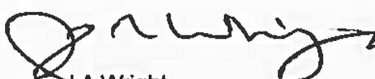
BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	13		45,984,625		44,149,101
Current assets					
Stocks	14	4,628		5,090	
Debtors	15	509,114		1,262,304	
Cash at bank and in hand		3,260,540		3,952,384	
		<u>3,774,282</u>		<u>5,219,778</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(2,058,468)		(2,185,063)	
Net current assets			1,715,814		3,034,715
Net assets excluding pension liability			<u>47,700,439</u>		<u>47,183,816</u>
Defined benefit pension scheme liability	20		(4,899,000)		(3,780,000)
Total net assets			<u>42,801,439</u>		<u>43,403,816</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			46,642,144		44,195,626
- Restricted income funds			185,091		607,428
- Pension reserve			(4,899,000)		(3,780,000)
Total restricted funds			<u>41,928,235</u>		<u>41,023,054</u>
Unrestricted income funds	18				
- Unrestricted general funds			873,204		880,762
- Designated funds			-		1,500,000
Total funds			<u>42,801,439</u>		<u>43,403,816</u>

The accounts on pages 21 to 44 were approved by the Trustees and authorised for issue on 04 December 2020 and are signed on their behalf by:


A J Bent
Chair


J A Wright
Chief Executive Officer

Company Number 08313108

OMEGA MULTI-ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Net cash provided by operating activities	21		1,045,965		275,036
Cash flows from investing activities					
Dividends, interest and rents from investments		14,260		13,544	
Capital grants from DiE Group		977,892		4,047,253	
Purchase of tangible fixed assets		(2,729,961)		(4,495,115)	
Net cash used in investing activities			<u>(1,737,809)</u>		<u>(434,318)</u>
Net decrease in cash and cash equivalents in the reporting period			(691,844)		(159,282)
Cash and cash equivalents at beginning of the year			3,952,384		4,111,666
Cash and cash equivalents at end of the year			<u><u>3,260,540</u></u>		<u><u>3,952,384</u></u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

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

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

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

Sponsorship income

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

Donations

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

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

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

Long leasehold buildings	2% per annum
Computer equipment	33.3% per annum
Fixtures, fittings & equipment	10% - 25% per annum

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.10 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.11 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

All areas requiring judgement are considered on a case by case basis by the governors. None are considered critical, however they are monitored on at least an annual basis to ensure that this is still the case.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Capital grants	-	977,892	977,892	4,047,253
Other donations	28,349	-	28,349	53,236
	<u>28,349</u>	<u>977,892</u>	<u>1,006,241</u>	<u>4,100,489</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
DfE / ESFA grants				
General annual grant (GAG)	-	15,692,821	15,692,821	14,287,620
Other DfE group grants	-	76,523	76,523	31,415
	<u>-</u>	<u>15,769,344</u>	<u>15,769,344</u>	<u>14,319,035</u>
Other government grants				
NLE/NLG	-	18,850	18,850	-
	<u>-</u>	<u>18,850</u>	<u>18,850</u>	<u>-</u>
Other funding				
Teaching school income	-	274,962	274,962	241,449
	<u>-</u>	<u>274,962</u>	<u>274,962</u>	<u>241,449</u>
Total funding	<u>-</u>	<u>16,063,156</u>	<u>16,063,156</u>	<u>14,560,484</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Hire of facilities	41,935	-	41,935	78,615
Catering income	364,347	-	364,347	534,966
Music tuition	23,210	-	23,210	59,672
School trips and other income	203,115	-	203,115	568,437
Other income	-	-	-	13,300
	<u>632,607</u>	<u>-</u>	<u>632,607</u>	<u>1,254,990</u>

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Other investment income	14,260	-	14,260	13,544
	<u>14,260</u>	<u>-</u>	<u>14,260</u>	<u>13,544</u>

7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2020 £	Total 2019 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	356,901	356,901	623,708
Academy's educational operations					
- Direct costs	11,090,965	-	597,860	11,688,825	10,829,502
- Allocated support costs	2,367,767	1,896,918	1,294,294	5,558,979	5,011,971
Teaching school					
- Direct costs	75,264	-	146,632	221,896	207,556
- Allocated support costs	29,040	-	-	29,040	17,925
	<u>13,563,036</u>	<u>1,896,918</u>	<u>2,395,687</u>	<u>17,855,641</u>	<u>16,690,662</u>

Net Income/(expenditure) for the year includes:

	2020 £	2019 £
Fees payable to auditor for:		
- Audit	17,340	16,320
- Other services	3,545	5,600
Operating lease rentals	16,683	2,393
Depreciation of tangible fixed assets	894,437	891,186
Net interest on defined benefit pension liability	77,000	48,000
	<u>918,005</u>	<u>963,525</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Central services

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

- financial services;
- administrative services;
- governance;
- legal and professional;
- central management;
- statutory accounts and audit;
- ICT provision including software licences;
- central governance services.

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

- 5-7% top slice of GAG income

The amounts charged during the year were as follows:

	2020 £	2019 £
Great Sankey High School and Barrowhall College	469,000	365,661
Burtonwood Community Primary School	19,967	15,781
Chapelford Village Primary School	43,904	34,698
Park Road Community Primary School	18,564	14,672
Westbrook Old Hall Community Primary School	33,231	26,264
	<u>584,666</u>	<u>457,076</u>

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Direct costs				
Educational operations	-	11,688,825	11,688,825	10,829,502
Teaching school	-	221,896	221,896	207,556
Support costs				
Educational operations	249,076	5,309,903	5,558,979	5,011,971
Teaching school	-	29,040	29,040	17,925
	<u>249,076</u>	<u>17,249,664</u>	<u>17,498,740</u>	<u>16,066,954</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Charitable activities (Continued)

	Educational operations £	Total 2020 £	Total 2019 £
Analysis of support costs			
Support staff costs	2,430,140	2,430,140	1,947,277
Depreciation	894,437	894,437	891,186
Technology costs	263,792	263,792	224,640
Premises costs	1,002,481	1,002,481	966,395
Other support costs	781,592	781,592	791,044
Governance costs	215,577	215,577	209,354
	<u>5,588,019</u>	<u>5,588,019</u>	<u>5,029,896</u>

10 Staff

Staff costs

Staff costs during the year were:

	2020 £	2019 £
Wages and salaries	9,657,031	9,056,099
Social security costs	913,386	847,654
Pension costs	2,700,364	1,830,476
Amounts paid to employees	<u>13,270,781</u>	<u>11,734,229</u>
Agency staff costs	292,255	444,330
Staff restructuring costs	-	13,017
Amounts paid to staff	<u>13,563,036</u>	<u>12,191,576</u>
Staff development and other staff costs	33,333	30,272
Total staff expenditure	<u><u>13,596,369</u></u>	<u><u>12,221,848</u></u>

Staff restructuring costs comprise:

Severance payments	-	<u>13,017</u>
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2019: £13,017). Individually, the payments were £nil (2019: £4,089, £8,178 and £750).

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff (Continued)

Staff numbers

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

	2020 Number	2019 Number
Teachers	181	165
Administration and support	126	129
Management	17	16
Catering	58	62
Teaching school	2	2
	<u>384</u>	<u>374</u>

Higher paid staff

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

	2020 Number	2019 Number
£60,001 - £70,000	5	6
£70,001 - £80,000	3	2
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£120,001 - £130,000	1	-
£130,001 - £140,000	-	1
	<u>-</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £226,310 (2019: £279,084).

11 Trustees remuneration and expenses

The Chief Executive Officer, Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer Omega MAT and not in respect of their services as trustees. Other trustees did not received any payments from the Multi-Academy trust in respect of their role as trustees.

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

J Wright

Remuneration: £125,001 - £130,000 (2019: £135,001 - £140,000)

Employer's pension contributions: £nil (2019: £20,001 - £25,000)

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

12 Insurance for Trustees and officers

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2020 was £58,842 (2019: £42,885).

13 Tangible fixed assets

	Long leasehold buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2019	43,573,523	3,128,643	509,144	522,043	47,733,353
Transfers	5,115,407	(5,115,407)	-	-	-
Additions	104,289	2,418,287	108,600	98,785	2,729,961
Disposals	-	-	(76,714)	(96,160)	(172,874)
At 31 August 2020	48,793,219	431,523	541,030	524,668	50,290,440
Depreciation					
At 1 September 2019	3,028,897	-	315,012	240,343	3,584,252
On disposals	-	-	(76,714)	(96,160)	(172,874)
Charge for the year	694,314	-	131,509	68,614	894,437
At 31 August 2020	3,723,211	-	369,807	212,797	4,305,815
Net book value					
At 31 August 2020	45,070,008	431,523	171,223	311,871	45,984,625
At 31 August 2019	40,544,626	3,128,643	194,132	281,700	44,149,101

14 Stocks

	2020	2019
	£	£
Catering stock	4,628	5,090

15 Debtors

	2020	2019
	£	£
Trade debtors	17,826	2,150
Other debtors	198,986	207,949
Prepayments and accrued income	292,302	1,052,205
	509,114	1,262,304

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

16 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	1,227,428	1,478,395
Other taxation and social security	231,086	217,843
Other creditors	259,371	253,706
Accruals and deferred income	340,583	235,119
	<u>2,058,468</u>	<u>2,185,063</u>

17 Deferred income

	2020	2019
	£	£
Deferred income is included within:		
Creditors due within one year	<u>125,941</u>	<u>111,370</u>
Deferred income at 1 September 2019	111,370	95,485
Released from previous years	(111,370)	(95,485)
Resources deferred in the year	<u>125,941</u>	<u>111,370</u>
Deferred income at 31 August 2020	<u><u>125,941</u></u>	<u><u>111,370</u></u>

Amounts included within deferred income for the year ended 31 August 2020 include High Needs funding £80,314 (2019: £103,297) and school trip income of £45,627 (2019: £8,073).

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	598,310	15,692,821	(15,352,918)	(786,266)	151,947
Other DfE / ESFA grants	-	76,523	(76,523)	-	-
Other government grants	-	18,850	(18,850)	-	-
Teaching school	9,118	274,962	(250,936)	-	33,144
Pension reserve	(3,780,000)	-	(656,000)	(463,000)	(4,899,000)
	<u>(3,172,572)</u>	<u>16,063,156</u>	<u>(16,355,227)</u>	<u>(1,249,266)</u>	<u>(4,713,909)</u>
Restricted fixed asset funds					
Inherited on conversion	20,753,940	-	(279,060)	-	20,474,880
DfE group capital grants	23,266,936	977,892	(557,127)	-	23,687,701
Capital expenditure from GAG	174,750	-	(58,250)	802,774	919,274
Capital expenditure from unrestricted funds	-	-	-	1,560,289	1,560,289
	<u>44,195,626</u>	<u>977,892</u>	<u>(894,437)</u>	<u>2,363,063</u>	<u>46,642,144</u>
Total restricted funds	<u>41,023,054</u>	<u>17,041,048</u>	<u>(17,249,664)</u>	<u>1,113,797</u>	<u>41,928,235</u>
Unrestricted funds					
General funds	880,762	675,216	(605,977)	(76,797)	873,204
Designated funds	1,500,000	-	-	(1,500,000)	-
	<u>2,380,762</u>	<u>675,216</u>	<u>(605,977)</u>	<u>(1,576,797)</u>	<u>873,204</u>
Total funds	<u>43,403,816</u>	<u>17,716,264</u>	<u>(17,855,641)</u>	<u>(463,000)</u>	<u>42,801,439</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/EFA grants include Pupil Premium, Year 7 grant and Post 16 Bursary, all relating to funding to assist pupils within the academy.

Funds have been designated to the school laboratories project fund.

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

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

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant (GAG)	403,097	14,287,620	(14,340,165)	247,758	598,310
Other DfE / ESFA grants	-	31,415	(31,415)	-	-
Teaching school	(6,850)	241,449	(225,481)	-	9,118
Pension reserve	(1,621,000)	-	(330,000)	(1,829,000)	(3,780,000)
	<u>(1,224,753)</u>	<u>14,560,484</u>	<u>(14,927,061)</u>	<u>(1,581,242)</u>	<u>(3,172,572)</u>
Restricted fixed asset funds					
Transfer on conversion	21,033,000	-	(279,060)	-	20,753,940
DfE group capital grants	19,963,891	4,047,253	(553,876)	(190,332)	23,266,936
Capital expenditure from GAG	233,000	-	(58,250)	-	174,750
	<u>41,229,891</u>	<u>4,047,253</u>	<u>(891,186)</u>	<u>(190,332)</u>	<u>44,195,626</u>
Total restricted funds	<u>40,005,138</u>	<u>18,607,737</u>	<u>(15,818,247)</u>	<u>(1,771,574)</u>	<u>41,023,054</u>
Unrestricted funds					
General funds	988,833	1,321,770	(872,415)	(557,426)	880,762
Designated funds	1,000,000	-	-	500,000	1,500,000
	<u>1,988,833</u>	<u>1,321,770</u>	<u>(872,415)</u>	<u>(57,426)</u>	<u>2,380,762</u>
Total funds	<u>41,993,971</u>	<u>19,929,507</u>	<u>(16,690,662)</u>	<u>(1,829,000)</u>	<u>43,403,816</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Funds

(Continued)

Total funds analysis by academy

	2020	2019
	£	£
Fund balances at 31 August 2020 were allocated as follows:		
Great Sankey High School and Barrowhall College	711,877	2,593,756
Burtonwood Community Primary School	132,463	126,271
Chapelford Village Primary School	53,463	106,404
Park Road Community Primary School	129,843	92,285
Westbrook Old Hall Community Primary School	23,770	69,474
Central services	6,879	-
Total before fixed assets fund and pension reserve	1,058,295	2,988,190
Restricted fixed asset fund	46,642,144	44,195,626
Pension reserve	(4,899,000)	(3,780,000)
Total funds	42,801,439	43,403,816

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2020	Total 2019
	£	£	£	£	£	£
Great Sankey High School and Barrowhall College	6,969,229	936,118	635,398	1,095,742	9,636,487	9,361,298
Burtonwood Community Primary School	626,008	100,748	73,502	184,865	985,123	1,007,101
Chapelford Village Primary School	1,549,434	273,083	139,896	401,764	2,364,177	2,234,556
Park Road Community Primary School	607,140	112,410	55,234	141,100	915,884	927,872
Westbrook Old Hall Community Primary School	1,273,019	104,999	50,731	224,132	1,652,881	1,713,168
Central services	143,365	217,512	-	138,839	499,716	-
	11,168,195	1,744,870	954,761	2,186,442	16,054,268	15,243,995

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	45,984,625	45,984,625
Current assets	2,931,672	185,091	657,519	3,774,282
Creditors falling due within one year	(2,058,468)	-	-	(2,058,468)
Defined benefit pension liability	-	(4,899,000)	-	(4,899,000)
Total net assets	873,204	(4,713,909)	46,642,144	42,801,439

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	44,149,101	44,149,101
Current assets	4,565,825	607,428	46,525	5,219,778
Creditors falling due within one year	(2,185,063)	-	-	(2,185,063)
Defined benefit pension liability	-	(3,780,000)	-	(3,780,000)
Total net assets	2,380,762	(3,172,572)	44,195,626	43,403,816

20 Pension and similar obligations

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

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

Contributions amounting to £192,257 were payable to the schemes at 31 August 2020 (2019: £186,979) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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.

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations

(Continued)

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% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £2,186,364 (2019: £1,332,476).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14.1% for employers and 6.4% for employees.

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

Total contributions made	2020 £	2019 £
Employer's contributions	514,000	498,000
Employees' contributions	137,000	130,000
Total contributions	<u>651,000</u>	<u>628,000</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations (Continued)

Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	2.9	2.6
Rate of increase for pensions in payment/inflation	2.2	2.3
Discount rate for scheme liabilities	1.7	1.9

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

	2020	2019
	Years	Years
Retiring today		
- Males	21.2	22.3
- Females	23.6	24.5
Retiring in 20 years		
- Males	21.9	23.9
- Females	25.0	26.5

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

	2020	2019
	Fair value	Fair value
	£	£
Equities	3,681,000	2,979,900
Bonds	3,353,800	3,257,100
Property	818,000	554,400
Other assets	327,200	138,600
Total market value of assets	8,180,000	6,930,000

The actual return on scheme assets was £672,000 (2019: £579,000).

Amount recognised in the Statement of Financial Activities

	2020	2019
	£	£
Current service cost	1,093,000	780,000
Interest income	(137,000)	(169,000)
Interest cost	214,000	217,000
Total operating charge	1,170,000	828,000

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

20 Pension and similar obligations	(Continued)	
Changes in the present value of defined benefit obligations	2020	
	£	
At 1 September 2019	10,710,000	
Current service cost	1,093,000	
Interest cost	214,000	
Employee contributions	137,000	
Actuarial loss	998,000	
Benefits paid	(73,000)	
At 31 August 2020	<u>13,079,000</u>	
Changes in the fair value of the academy trust's share of scheme assets	2020	
	£	
At 1 September 2019	6,930,000	
Interest income	137,000	
Actuarial gain	535,000	
Employer contributions	514,000	
Employee contributions	137,000	
Benefits paid	(73,000)	
At 31 August 2020	<u>8,180,000</u>	
21 Reconciliation of net (expenditure)/income to net cash flow from operating activities	2020	2019
	£	£
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(139,377)	3,238,845
Adjusted for:		
Capital grants from DfE and other capital income	(977,892)	(4,047,253)
Investment income receivable	(14,260)	(13,544)
Defined benefit pension costs less contributions payable	579,000	282,000
Defined benefit pension scheme finance cost	77,000	48,000
Depreciation of tangible fixed assets	894,437	891,186
Decrease/(increase) in stocks	462	(2,154)
Decrease/(increase) in debtors	753,190	(938,156)
(Decrease)/increase in creditors	(126,595)	816,112
Net cash provided by operating activities	<u>1,045,965</u>	<u>275,036</u>

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

22 Analysis of changes in net funds

	1 September 2019 £	Cash flows £	31 August 2020 £
Cash	3,952,384	(691,844)	3,260,540

23 Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	32,971	39,450
Amounts due in two and five years	-	32,971
	<u>32,971</u>	<u>72,421</u>

24 Capital commitments

	2020 £	2019 £
Expenditure contracted for but not provided in the accounts	<u>220,000</u>	<u>1,413,240</u>

25 Members' liability

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

OMEGA MULTI-ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

26 Teaching school trading account	2020		2019	
	£	£	£	£
Direct income				
Fee income		274,962		241,449
Direct costs				
Direct staff costs	75,264		84,020	
Educational supplies and services	146,632		123,536	
	<u>221,896</u>		<u>207,556</u>	
Other costs				
Support staff costs	29,040		17,925	
	<u>29,040</u>		<u>17,925</u>	
Total operating costs		(250,936)		(225,481)
Surplus from teaching school		24,026		15,968
Teaching school balances at 1 September 2019		9,118		(6,850)
Teaching school balances at 31 August 2020		<u>33,144</u>		<u>9,118</u>