

ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**ACADEMY TRANSFORMATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	P Beanland M McDonagh T Campbell G Bhatia L Jones
Trustees	P Beanland, Chair of Trustees T Clark, Vice Chair J Dawson (appointed 24 July 2023) A Milne L Jones E Bonar C Edwards (resigned 6 June 2023) M Gill T Craig (resigned 19 May 2023) D Elleman (resigned 2 February 2023) G Hawkins (appointed 25 September 2023)
Company registered number	07846852
Company name	Academy Transformation Trust
Principal and registered office	Unit 4 Second Floor Emmanuel Court Reddicroft Road Sutton Coldfield B73 6AZ
Company secretary	K Robson (Executive PA) (to 26 September 2023) M Chatra (Deputy CEO) (from 26 September 2023)
Accounting Officer	R Elms (to 31 October 2022) N Weller (from 1 November 2022)
Senior management team	N Weller, Chief Executive Officer (appointed 1 November 2022) R Elms, Interim Chief Executive Officer (to 31 October 2022) A O'Malley, Acting Head of Finance (to 25 August 2023) P Wilson, Chief Finance and Operating Officer (to 12 September 2022) M Chatra, Deputy CEO (Finance and Operations) (appointed 14 August 2023) B Caisley, Director of Primary Education (to 17 June 2023) C Rushton, Director of the ATT Institute (appointed 1 September 2022) D Trimmer, Deputy CEO (Education) J Howell, Director of IT and Procurement G McGrory, Director of Estates (appointed 31 April 2023) N Deen, Acting Director of Primary Education (appointed 1 June 2023) C Plant, Director of People Strategy G Trott, Director of Secondary Education C Franklin, Director of Safeguarding and SEND E Thomas, Director of Estates and Procurement (to 30 April 2023)

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers Lloyds Bank
114-116 Colmore Row
Birmingham
B3 3BD

Barclays Bank PLC
Cambridge Benet Street
Leicestershire
LE87 2BB

Solicitors Browne Jacobson LLP
Victoria Square House
Victoria Square
Birmingham
B2 4BU

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 20 academies (9 primaries, 9 secondaries, 1 all-through and 1 special) in England. Its academies have a combined pupil capacity of 12,688 (2022: 13,018) and had a roll of 11,514 (2022 11,338) in the school census on 1 October 2022.

The Trust also operates further education provision mostly within Nottinghamshire. In the current reporting period, 1,658 (2022 1,508) post 16 learners (including 19+ learners and subcontracted provision) benefitted from this provision.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of Academy Transformation Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Academy Transformation Trust, or ATT.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense. This covers the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. This is provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £10m.

Method of Recruitment, Induction and Training of Trustees

The Trustees are appointed in accordance with the Articles of Association. An annual audit of skills as well as regular self-review using the model advocated by the National Governance Association enables Trustees to identify skills gaps and recruitment to fill those gaps is handled through executive and non-executive networks, partnerships with external agencies and specialist recruiters. During 2022-23, we were able to boost the experience of the Board in educational leadership and business operations through the recruitment of new Trustees.

All new Trustees receive a bespoke induction programme appropriate to their needs. This includes meeting with executive team members, visiting academies, understanding Trust and Academy performance data, safeguarding, HR and finance. In the reporting period, Trustees received training in matters relating to safeguarding, finance, and business support operations. Trustees also received regular legal and financial expert input. Committee Chairs also met with relevant senior executives on a regular basis.

Trustees also undertook regular strategic planning sessions and used these to develop their skills and expertise in matters relating to educational performance, governance and performance management.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Trustees have also engaged with external training programmes offered by the Confederation of School Trusts.

The same processes apply to members of Local Governing Bodies (LGBs) who oversee local governance in academies on behalf of Trustees and report to them on a regular basis. A detailed induction model is in place covering all LGBs and all LGB members have completed mandatory training programmes in safeguarding, data protection and HR procedures.

Trustees and LGB members are offered regular opportunities to come together for professional development activities – including through the mechanism of regular briefings and Governance Forums. During this year, topics covered have included financial scrutiny, statutory procedures for managing exclusions and complaints, and strategies for ensuring effective non-executive governance has the maximum impact on educational performance. In addition, an extensive range of supporting guidance and developmental material is made available to them via our online portal, and we subscribe to the services of the NGA's Learning Link website and The Key for School Governance, where additional online training may be accessed.

Trustees and Governors are routinely required to undertake the following training:

- Safeguarding and child protection level 1
- PREVENT
- Safer recruitment
- Data protection and GDPR
- Financial probity

Governance Organisational Structure

The structure consists of three levels: Members, Trustees, and Local Governing Bodies (LGB). The Scheme of Delegation clearly sets out where decision-making responsibility lies across each level. Members and Trustees have delegated certain responsibilities to the Executive or to Trustee sub committees. Where this is the case, there are clear terms of reference, delegations of authority and financial regulations in place to govern decisions.

The Trustees have established the following committees:

- Audit and Risk
- Finance and Resources
- Remunerations
- Remunerations Appeals
- Standards and Outcomes
- A Local Governing Body (most LGBs govern 2 or 3 academies as 1 joint cluster).

Overview of responsibilities from the Governance Scheme of Delegation

Members' reserved powers during 2022-23 were:

- to ensure the Trust's Board has the capacity and skills necessary to carry out its duties
- to appoint the Trust's external auditors on an annual basis to make any changes which are fundamental to the nature of the Trust (e.g. its name or its overall purpose).

The reserved powers of the Trust's Board were:

- to determine the Trust's strategic direction and educational ethos
- to ensure the Trust is compliant with a range of legal requirements and to ensure appropriate internal audit arrangements are in place
- to review and determine the Trust's governance arrangements
- to approve budgets, sign off the annual accounts, and make major financial decisions, including decisions about growth and commercial opportunities

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- to ensure that the Trust has sufficient executive capacity and knowledge to deliver its aims
- to determine the appropriate levels of remuneration for senior executives (this includes the accountability for appointing and, where necessary, dismissing, both the CEO and the Chief Finance Officer (CFO))
- to approve certain policies required to be approved at Board level by statute.

The Trust's Board fulfils the three functions of governances described in the DfE's Governance Handbook: ensuring clarity of vision and strategy, holding the executive to account, and ensuring financial probity and the best use of public resources.

The Chief Executive Officer is the Accounting Officer and exercises delegated power for all operational aspects of the Trust's activities. From 14 August 2023, the role of CFO was fulfilled by the Trust's Deputy Chief Executive Officer (Finance & Operations).

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Levels of pay for the Chief Executive Officer and for other senior leadership team members are set by the Trust's Board following extensive review and scrutiny by the Remuneration Committee, advice from independent external advisers where appropriate, and the consideration of contributory factors such as the scope and demands of the role, the expectations within the current Academy Trust Handbook and other guidance, and prevailing market factors.

The performance of the Chief Executive Officer is reviewed by the Chair and Vice Chairs of Trustees, who conduct a full and wide-ranging review of performance at key points in the year.

Trade union facilities time

Relevant union officials

Number of employees who were relevant union officials during the year	17
Full time equivalent employee number	15.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1% - 50%	14
51% - 99%	-
100%	-

Percentage of pay bill spent on facility time	£000
Total cost of facility time	5
Total pay bill	65,484
Percentage of total pay bill spent on facility time	0.01%

Connected Organisations, including Related Party Relationships

The Trust was established as a company limited by guarantee and does not have any external sponsors. There are no related party relationships.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Engagement with employees (including disabled persons)

The Trust has a central and regionalised HR function which covers all the Trust's employee matters.

The Trust is committed to providing an environment that encourages the involvement and engagement of all employees. Regular internal communications keep employees informed of the activities across the Trust.

The Trust runs an annual people survey with a summary of outcomes being shared with employees. People survey activities for the coming year have been developed and as well as an annual survey, termly pulse surveys focusing on priority areas will also be sent out. Exit surveys and welcome surveys have been rolled out this year.

The Trust's collaborative development groups allow the opportunity for employees to be involved in the direction of the Trust and crucial decisions within those forums.

The Trust gives full and fair consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where an existing employee becomes disabled, it is the Trust's policy, wherever practicable, to put in place reasonable adjustments to their work environment and appropriate re-training so that the disabled employee can maximise their potential and continue in their employment gainfully. The Trust ensures that all people development activities and promotion opportunities are accessible to all and that disabled employees are not put to any disadvantage in accessing them.

The Trust has a Wellbeing team network group attended by Wellbeing Champions from each Academy and Directorate within the Trust. The Trust's wellbeing strategy ensures that effective wellbeing initiatives and activities are embedded across the Trust in order to support employees' mental health and wellbeing.

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

Customers

The Trust defines its customers as pupils or students, adult learners, parents and carers, and the community. The Trust engages with each of these parties in several ways:

Pupils / Students

- Being ambitious for every pupil fostering interests and passions
- Providing opportunities for pupils to broaden their horizons
- Promoting positive behaviours
- Setting out clearly rules, rewards and sanctions ensuring they are communicated and promoted widely and often
- Planning and running a wide range of events
- Actively listening and providing opportunities for pupils to influence decision making including through annual surveys
- Having top quality learning environments which promote and celebrate learning, culture, and endeavour
- Designing and implementing a diverse, challenging, and relevant curriculum which ensures all pupils have access to a high-quality teaching and a range of broader experiences and opportunities
- Ensuring robust Safeguarding procedures

Parents / Carers

- Publishing relevant information and creating effective channels of communication including through social media
- Promoting, monitoring, and reacting to parent surveys and other, similar types of feedback channels
- Planning and running a wide range of events
- Parent forums or steering groups and PTAs

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Community

- Publishing relevant information and creating effective channels of communication including through social and other media
- Planning and running open events
- Promoting estates resources and their potential community use

Suppliers

The Trust's preferred suppliers provide us with information technology, human resources, facilities management, catering, professional services and other goods and services. In deciding those preferred suppliers, we ensure that both national and local suppliers have equal opportunity to participate in the procurement process. We also oversee and take reasonable steps to ensure our suppliers comply with our standards, relating to modern slavery, data protection, environmental responsibility, human rights, and ethics.

Regulators

The DfE, Ofsted and the ESFA oversee the educational and financial performance of our Trust. The Trust's aim is always to maintain positive and open relationships with the relevant regulators. In order to do so, the Trust works tirelessly, via various communication channels, to ensure that all parties are fully aware of any current and emerging risks within our Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Trust's objects are set out in its Articles and the Trust's purpose, in summary, is to manage and develop each of the academies within our Trust to ensure that they provide the highest quality of education and that they are also integral to the wellbeing of their local community.

Our Mission and Values

Why do we exist?

- To transform life chances by achieving the highest possible standards and preparing all our students to lead successful lives.

How do we behave?

- We work hard: we are determined to see things through to the end and are resilient when faced with challenges.
- We work with integrity: we do the right thing because it is the right thing to do.
- We work as a team: we work together to help everyone succeed.

What do we do?

- We educate, safeguard and champion all our learners.
- We set high standards for ourselves and our learners.
- We build the powerful knowledge and cultural capital which stimulate social mobility and lifelong learning.

How will we succeed?

- Aligned autonomy
- Keeping it simple
- Talent recruitment and development

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trustees consider that our Trust's aims, and objectives are demonstrably to the public benefit.

STRATEGIC REPORT 2022-23

The Trust has agreed four strategic aims to be achieved by 2027:

1. Define and grow the commonality which binds us together as ATT, including culture and learning
2. Structure school improvement and operational support services to be their most cost effective and impactful
3. Improve outcomes so that the percentage of ATT students receiving an Outstanding education matches at least national, with 100% receiving a Good education
4. Grow the size of the Trust and its income sufficient to support its geographical spread

During 2022-23, we achieved the following:

1. We launched a major initiative on improving our culture for learning, with a focus on the consistency of classroom and out-of-class routines across both primary and secondary. We have also launched daily morning meetings at secondary, in particular in order to reinforce our values and desired behaviours, and to improve knowledge retrieval.
2. We began to map our processes in Finance and HR with a view to simplifying systems, increasing centralisation, shifting from paper to electronic systems, and cutting out redundant activities- shifting our focus from over-compliance to efficiency and effectiveness.
3. We continue to work hard to raise attendance to at least above national at all our academies, and are having particular success in areas of high disadvantage. We are also about to launch new initiatives on teacher recruitment. In this way, we are addressing the two most significant restraints on pupil progress.
4. We cut £1,600k of cost last year, are now graded green by Regional Directors and the ESFA, (up from the historic red/amber) and are now in a position to grow. We have also identified our areas of geographical focus for future growth.

Educational Performance

- Three of our academies were visited by Ofsted the last year, and a further one by the time of writing. We have had a very impressive set of judgements, continuing our run of ten consecutive judgements of Good or better since November 2021.
- Bristnall Hall Academy is our first academy to be judged Outstanding overall and across all areas.
- ATTFE was judged Outstanding for Adult Education (84% of its activity) and for Personal Development.
- Star Academy moved from Requiring Improvement to Good, whilst Phoenix Academy moved from 'Good with declining features' to a secure Good.
- Eighteen of our twenty-one academies are now judged Good or better.
- Two academies are still judged as Requiring Improvement and one remains in category. All three academies are due for inspection soon.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Academy	Inspected	Previous	Latest
Bristnall Hall	November 2023	Good	Outstanding
ATT FE College	June 2023	Good	Good+
Phoenix Academy	November 2022	Good	Good
Star Academy	September 2022	Requires Improvement	Good
Queen Elizabeth	June 2022	Good	Good
Pool Hayes	April 2022	Requires Improvement	Good
Sutton Community	April 2022	Inadequate	Good
Nicholas Hamond	December 2021	Requires Improvement	Good
The Dukeries	September 2021	Good	Good

- In terms of outcomes, all of our primary academies either improved on their 2022 Phonics results or sustained their already strong results. Six of our primaries have closed the gap on national compared to 2022, and three of our academies now exceed national.
- Across KS1, results in Reading, Writing and Maths rose by 3%, 6% and 4% respectively, indicating much stronger recovery this year post-Covid.
- At KS2 there was significant improvement overall on 2022 results in those meeting Age Related Expectation in Writing, Maths, GPS and Combined, with Reading, Maths, GPS and Combined also exceeding pre-Covid 2019 results. Similarly, in Reading, Maths, GPS and Combined, significantly more pupils achieved Greater Depth than in 2022 and indeed in 2019.
- At KS4, EBacc entry remains much higher than national, reflecting our commitment to high-value qualifications which transform life chances. MAT Progress 8 is yet to be published but will be improved on 2022, although still no better than average and not yet as high as 2019. Nevertheless, serving areas of high deprivation post-Covid poses particular challenges nationally, indicating that our work on culture and pedagogy is having even more impact than the slight improvement in our results might suggest.
- There will be no progress measure produced for Post 16 this year as the DFE committed not to use KS4 prior attainment from qualifications achieved between January 2020 and August 2021.

Improvement Strategy

- Our improvement strategy continues to be aligned around our ethos of Challenge, Support and Intervention (CSI). This ensures that our colleagues benefit from the ability to share best practice across our Trust as well as providing the ability for Trustees to receive quality information to enable them to perform their functions effectively.
- We are a national trust and proud to be so. Our record of school improvement is very strong. Our Big Moves on culture and attendance are already having impact and there are encouraging early indications of continued improvement in 2024.

Our people

We recognise that our people are the key drivers to improved performance and we invest in their performance development to drive this.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The Institute Offer

Our Institute provides a wide range of professional development opportunities for ATT colleagues in the form of training, support, accredited courses and structured networking opportunities. The Institute also works with a range of external partners to deliver National Professional Qualifications, the Early Career Framework and we are soon to launch Initial Teacher Training.

ATTI Accredited courses

Our Institute continues its relationship as Delivery Partner for Ambition Institute for the ECF, the NPQs and is also a founding partner for the ITT. The Institute delivers the Early Career Framework to over 200 ECTs across 61 schools including all ATT academies. We pride ourselves on providing the highest level of training and support for ECTs, their mentors and inductions tutors, to ensure teachers get the best possible start in the profession. The Institute delivers six National Professional Qualifications and has a current cohort of over 150 participants from ATT academies and our partner schools and Trusts.

ATTI Professional development Opportunities

Our Institute co-ordinates a network over nearly forty Communities of Practice- these focus on leadership, curriculum and a range of specialist areas and support roles. These communities provide the platform for collaboration, alignment and implementation of strategies to address our priorities.

Our Institute also provides a range of opportunities for colleagues to develop their own practice across all roles- these opportunities include webinar series focused on Trust priorities, Aspiring System Leaders Development Pathway, Leadership Coaching, Fellowships and TA Development Pathway.

Apprenticeships

Apprenticeships are fully funded courses available as part of the Apprenticeship Levy which Academy Transformation Trust contributes to. Our Trust has £429,892 current funds available as part of the Apprenticeship Levy. Levy utilisation has increased significantly from its introduction. Estimated total funding for the next 12 months sits at £244,431, with estimated spend of £152,053. This has been achieved through partnership with LMP who act as our preferred apprenticeship training provider, promoting apprenticeships as training options for existing employees and encouraging leaders to consider apprentices for appropriate vacancies. At present we have 87 live apprenticeships from Level 2 to Level 7, covering teaching and non-teaching colleagues. Courses consist of a range of subjects, including Teaching Assistant qualifications, operations qualifications (e.g. HR/IT/Finance) and the apprenticeship route into teaching, which has been utilised for the first time as a Trust.

Human Resources

The Trust, like the wider sector, continues to face challenges with recruitment of staff, across both teaching and non-teaching areas. Over the last 12-18 months there has been a focus on recruitment, with the development of central recruitment-specific roles to focus on developing best practice and exploring ways to expand our reach to prospective candidates, including events such as University Job Fairs. As part of this we've focused on the development of our Trust website/branding plus use of social media to support with candidate attraction. We have continued to develop our relationships with The Supply Register for ongoing day to day supply needs.

Employee reward continues to be a priority, with an updated Pay Policy being implemented and a review of our benefits offer being undertaken. Our benefits offer has been expanded over the last two years to include a range of gross and net pay deduction schemes, including home and electronics, Cycle to Work and Car schemes. We've expanded wellbeing support to ensure all colleagues have access to a 24/7 telephone Employee Assistance Programme, but furthermore have the opportunity for free structured telephone

**TRUSTEES' REPORT (CONTINUED)
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counselling. We have also extended this offer to employee's dependants, understanding the impact family related issues can have on an employee's wellbeing and ability to attend work regularly. We have also reviewed our Occupational Health provision and moved to a service that will better aid our ability to support colleagues experiencing ill health.

We value employee feedback and have undertaken a trust wide survey on staff experience and wellbeing, conducted by Edurio, which provides up to date sector specific benchmarking of results. We continue to work with academies to review the data and, where necessary, support action plans to address any areas identified as requiring development. We have increased response rates of welcome and exit survey data by undertaking these face-to-face, which provides us with valuable data to improve the employee experience.

Work has been undertaken with our payroll provider to revise our part year pay calculations, following a collective agreement with Trade Unions. The implementation of this, which affects historical pay dating back to 1 April 2017, has been ongoing since May/June 2022 and is due to conclude in Autumn 2023. Ongoing work continues to develop and strengthen our payroll data and processing, including launching Employee Self Service.

The Trust has a suite of updated, fit-for-purpose HR policies and procedures and meets termly with our recognised trade unions in relation to all people-related matters. We continue to review and update our policies as required. We are in the process of reviewing our staff attendance policy with trade unions to ensure we're effectively supporting employees to attend work regularly.

The Trust Annual Gender Pay Report demonstrated our firm commitment to the equality agenda and we continue to look to improve on the current gap. We have developed a trust wide Diversity, Equity and Inclusion (DEI) community, with representation from academies. DEI representatives have access to a range of materials and resources to support curriculum, students and staff with their DEI objectives and raise awareness through academy initiatives linked to the DEI calendar of events. Training has been provided via ATT Institute on recognising and responding to racist incidents and we have launched the Equally Safe programme to support parents, pupils and staff in over 50% of our academies.

Professional development for support staff is being developed based on feedback from staffing groups on a role specific basis. The HR team have supported the development and delivering of training such as Culture of Vigilance and Data Protection for Data Protection leads.

Finance and Business Operations

Estates

The Trust's primary source of estates capital funding is School Condition Allocation (SCA). In 2022-23, this amounted to £2,717k. Though one of the higher allocations of SCA amongst academy trusts, this is still down from £5,010k allocated in 2019-20 (when the Trust's SCA allocation contained an element of transitional funding).

Our current Estates strategy continues to focus on reducing condition liability within our Trust but also considers educational need, space utilisation, sufficiency, capacity, and links to our individual three-year development plans in place at each site. This approach has enabled us to continue the transformation of learning environments in many academies during 2022-23, focusing on improving facilities, use of space and pupil experiences, alongside addressing and mitigating risk and liability associated with condition issues. We have continued to explore expansion and land development projects as well as undertaking key refurbishment projects.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Some highlights of projects that were completed during 2022-23 were:

- Pool Hayes Academy – refurbishment of an existing block to create additional dining capacity.
- Sutton Community Academy – refurbishment of existing spaces to create suitable intervention spaces.
- Westbourne and Nicolas Hamond – refurbishment of reception areas to create suitable entrances that meet safeguarding requirements.
- Icen Primary, Dukeries and Hathaway – new toilet suites to replace older suites that had been in very poor condition.

ICT

We continue to embed our ICT Strategy throughout our Trust, and during 2022-23, we completed the migration from individual academy Office 365 tenants to a single Trust-wide tenant. This was crucial to start the implementation of our Cloud First Strategy. Allowing for the gradual reduction of on-site servers, efficient management of laptops/desktops, increased data protection, whilst saving money on server refreshes, energy costs and improving our cyber security position.

We have continued to invest heavily in our ICT infrastructure and secured £835k of funding from the DfE's Connect the Classroom programme. The funding will greatly improve the connectivity in 11 academies (5 secondary and 6 primary). We also made large investments in end user devices (laptops/desktop/iPads), classroom audio visual equipment (interactive touchscreens) and all academy phone systems are now cloud based VOIP (Voice Over IP) systems.

We completed the procurement and migration of our Management Information System (MIS) from SIMS to Bromcom and we now have better access to data. Using Power Bi, this gives our senior leadership teams access to the data they need to make more informed strategic decisions to improve education for our young people.

Our cyber security has also improved with the implementation of multi-factor authentication (MFA), restricting logins to only from the UK and additional email filtering protection.

Going Concern

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

In making this assessment the Trustees have considered the current very challenging financial climate facing the education sector including unfunded or part-funded pay rises for teaching and support staff, high energy prices and general price inflation coupled with uncertainty around absolute increases in future funding. Given the potential risks this poses, the Trust has embarked upon a detailed forecasting process for the next 36 months to assess likely future performance, identify potential cost savings and efficiencies, identify opportunities and ensure the Trust remains financially sound and well prepared for the future.

During 2022-23, the Trust did undertake redundancy processes across a number of its academies, and this work enabled ATT to set a surplus budget for 2023-24.

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At 31 August 2023 the Trust had cumulative income reserves of £1,618k following an in year deficit of £913k. Though reserves have reduced compared to the prior reporting period, the Trust did finish the year in a far more favourable position than had been budgeted for. Under the requirements of the Academy Trust Handbook, the Trust is required to maintain positive free reserves at all times, and this is a key balance that is closely monitored and has been assessed in preparing the forecasts. Cash balances at year end were £6,670k.

In preparing the forecasts for the next 36 months, the following have been considered:

- Levels of inflation and the trend in the latter half of the 2023 calendar year of inflation reducing back towards pre-2022 levels.
- The likelihood for future pay awards to be significantly lower than those seen across both teaching and support staff over 2022-23 and 2023-24.
- Cost savings are being implemented and Integrated Curriculum Finance and Planning (ICFP) is being closely implemented to help achieve this.
- Close and regular scrutiny of the budgetary position by management and Trustees, including the impact of the current financial challenges will continue.

Based on the above assessment the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

FINANCIAL REVIEW

Financial Review

During 2022-23, our Trust reported an underlying deficit of £913k with revenue reserves moving from £2,531k at the end of 2021-22 to £1,618k (there were other adjustments which meant the reduction in revenue reserves was less than the 2022-23 deficit).

Though the Trust ended 2022-23 with an outturn deficit, this was a significantly improved position as compared with the budget set for the year. The year was a particularly challenging one with pay increases being agreed at well above increases to GAG and other funding streams (despite the introduction of the Mainstream Schools Additional Grant), in addition to general inflation resulting in a variety of non-pay costs – primarily relating to energy, estates and IT – also seeing sharp increases. The Trust worked closely with its Academies throughout the year to tightly manage finances, and this helped to deliver a far reduced deficit than had originally been anticipated.

On an accounting basis, and thus considering the FRS102 pension valuation figures, the Trust recorded an in-year surplus on restricted and unrestricted revenue funds of £6,384k, a reduction of £41,970k in comparison to 2021-22. The pension valuation saw an actuarial gain of £10,677k (2022: £52,541k), due to a change in CPI inflation assumptions, with a pension surplus not recognised of £2,237k.

Reserves Policy

The Trust's policy on reserves is to maintain sufficient reserves to enable the Trust to operate effectively in what is becoming a less certain economic and funding environment, to address any current year shortfall in funding, and to use them in the ongoing investment in the Trust's estate, subject to satisfying terms and conditions of the grant funding. The Trustees review the level of reserves annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have agreed that the long-term aim of the Trust should be to hold cumulative reserves of above 5% of total funding. The level of general reserves as at August 2023 (total funds less the amount held in fixed assets or committed funds) is a surplus of £1,618k (2022: surplus of £2,531k).

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Though the Trust's current reserves amount to just under 2% of total revenue, the intention is to increase reserves to 5% by the end of 2024-25. It intends to do this through working with its academies to carefully manage recruitment and staffing levels, to realise further savings from large spend operational areas and to rationalise procurement for the Trust so that greater efficiencies can be realised for contracts and subscriptions. It is also anticipated that Trust growth can lead to greater levels of revenue reserves.

Investment Policy

The Trust's investment policy and objectives are:

- To achieve the best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- To invest only those funds surplus to operational need based on all financial commitments being met without the Trust bank account becoming overdrawn.
- To comply with this policy, all investment decisions should be exercised with care and skill and consequently be in the interests of the Trust, commanding broad public support.

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation. For selection, assets will only be considered with banking institutions which have credit ratings assessed by an external credit agency to show good credit quality. To manage the risk of default, deposits will be spread by banking institution and be subject to a maximum exposure of £5,000,000 with any PRA authorised institution by the Bank of England (refer to Financial Conduct Authority (FCA)). Whilst this exceeds the protection limit of £85,000 provided by the FCA it is accepted that it is not always practicable to find a sufficient number of investments of this size that meet the prudent criteria outlined in this policy.

Decisions on how much to invest, and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts produced by the Deputy Chief Executive Officer (Finance & Operations). The cash flow forecasts will take account of the annual budget and spending plans approved by the Governing Body and updated monthly. A sufficient balance must be held in the current account so that the Trust's financial commitments can always be met without the bank account going overdrawn. The size of the balance is determined by a forecast of future need and is kept under review.

Investments for a fixed term do not normally exceed one year to provide flexibility for the following year's plans unless a clear rationale is provided for exceeding one year to the benefit of the Trust. The Trust has authorised signatories, two of which are required to sign instructions to the deposit taking institution.

The Deputy Chief Executive Officer (Finance & Operations) monitors the cash position and cash flow forecast, and reports on investments held and the performance of investments against objectives to the Finance and Resources Committee at appropriate intervals, depending on the terms of the investments.

Funds held as custodian Trustee on behalf of others

Our Trust does not hold such funds and does not act as the Custodian Trustees of any other charity.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Trust is exposed through its Audit and Risk Committee, and these are summarised in our Risk Register. The Trustees have implemented a number of systems to assess the risks that our Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, educational visits and safeguarding) and in relation to the control of finance. They have introduced mitigating controls, including operational procedures and internal financial controls in order to minimise risk. Where significant risk remains, they have ensured they have adequate insurance cover.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Towards the tail-end of 2022-23, the Trust was notified that RAAC had been positively identified at The Ravens Academy in Clacton-on-Sea, Essex. This case highlighted a broader risk faced by the Trust around the condition of the estate and related health-and-safety considerations. Though the Trust does carefully invest its SCA across the estate, the funds are not enough to fully address all condition needs of the estate; as such, Trustees are aware that this is a notable risk, but are confident that the Trust does look to manage available funds in the most appropriate manner to address higher priority areas from condition and health-and-safety perspectives.

The Audit and Risk Committee conducts deep-dive reviews into key areas at their regular meetings to scrutinise the operational reality of mitigating risk. In addition, the full Trust Board considers major risks at least termly, and for 2023-24, the Trust is adopting a new Risk Management Policy and revised risk register.

Policies towards employees and disabled persons

Our Equalities Policy and Equal Opportunities Policy is clear that we take very seriously our obligations to those with disabilities.

We strive to celebrate Diversity, Equity and Inclusivity across our communities. We believe that all members of the ATT family should feel valued and free to actively promote DEI with our students, staff, and stakeholders through open, honest and thought-provoking conversations.

We view DEI as a core value; it is present in our everyday lives and the lives of our students. By embracing our differences, we model the exemplary behaviour we want our students to take into their lives post-education.

Our Trust has a DEI working group established with representative staff members from KS1 to Further Education. The group collaborates on changes to the Trust's policies and CPD offerings. As a group we are consistently trying to become proactive allies for Diversity, Equity and Inclusivity so that everyone at our Trust can continue "Transforming Lives". We are a Disability Confident Employer.

Our approach to engaging with employees is detailed earlier in this document.

Fundraising

The Trust does not currently actively participate in fundraising activities; and thus, has nothing to disclose in accordance with the Charities (Protection and Social Investment) Act 2016.

Streamlined Energy and Carbon Reporting

UK Greenhouse Gas Emissions and Energy Use Data		
	2022-23	2021-22
Energy Consumption Used to Calculate Emissions (kWh)	20,703,513	21,867,778
Energy consumption breakdown		
Gas (kWh)	15,977,561	15,742,619
Electricity (kWh)	4,189,618	5,680,263
Transport fuel – minibuses and business travel (miles)	426,421	353,722
Scope 1 Emissions in Metric Tonnes CO₂e		
Gas	2,937.47	2,894.60
Minibuses	22.57	8.52
Scope 2 Emissions in Metric Tonnes CO₂e		
Electricity	0.00	0.00
Scope 3 Emissions in Metric Tonnes CO₂e		
Business travel	76.36	99.23
Total Gross Emissions in Metric Tonnes CO₂e	3,036.40	3,002.34
Intensity Ratio Tonnes CO₂e Per Pupil	0.26	0.26

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

During the 2023-24 academic year, we will continue to further our carbon reduction agenda by looking to upgrade traditional lighting with LED, encourage less travel and more meetings over Microsoft Teams and through signing up to the Energy Sparks initiative to help identify areas of inefficiency.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable Trust's auditors are unaware; and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable Trust's auditors are aware of that information.

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Auditors

The auditors, Bishop Fleming LLP, have been informed that the Trust intends to re-tender the external auditor role in early-2024, in readiness for audit of the 2023-24 financial year. Trustees formally confirmed this intention at a meeting held on 19 December 2023.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 19 December 2023 and signed on its behalf by:



Pat Beanland
Chair of Trustees

19th December 2023



Tom Clark
Vice Chair of Trustees

19th December 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Academy Transformation 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Academy Transformation 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 and in the statement of Trustees' Reports. The full Board of Trustees and the Finance and Resources Committee formally met 5 times during the year, with Standards and Outcomes and Audit and Risk committees having met 4 times and Remunerations met once.

Attendance during the year at meetings of the Board of Trustees was as follows:

TRUSTEE	FULL BOARD	FINANCE AND RESOURCES	AUDIT AND RISK	STANDARDS AND OUTCOMES	REMUNERATIONS
ALISTAIR MILNE	5/5	5/5	4/4	-	-
CARL EDWARDS	0/3	1/3	-	-	-
DIANNE ELLEMAN	3/3	-	1/1	-	-
ELAINE BONAR	4/5	-	-	4/4	-
LOUISE JONES	4/5	5/5	-	-	1/1
MARK GILL	5/5	-	4/4	-	1/1
PAT BEANLAND	5/5	-	-	4/4	1/1
TANIA CRAIG	3/3	-	-	1/3	-
TOM CLARK	5/5	4/5	3/3	3/4	-

The Trust did not convene six Board meetings in 2022/23, however it is confident that both its Audit and Risk Committee and Finance and Resources Committee, between them, apply suitable rigour and scrutiny on behalf of the Full Board in order for the Board to be confident that effective oversight of funds was maintained.

REVIEW OF VALUE FOR MONEY

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

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

- Strengthening the financial reporting mechanisms at Trustee and local level to be able to identify opportunities to generate efficiency savings.
- Further development of accounting and budgetary systems; to allow for better reporting, budgeting and forecasting.
- Enhancing the use of Integrated Curriculum and Financial Planning (ICFP), to include all academy staff members, in full in all academies.
- Bulk contract awards for conditions improvements through estates department.
- Further centralisation of procurement contracts in relation to other estates as well as IT services.
- Development of supply chain partners to secure low-rate goods and services reducing reactive maintenance costs.
- Implementation of renewable energy initiatives such as Biomass and Solar technology to reduce carbon footprint, utility costs and secure RHI.
- Move towards centralised/regional delivery models for school improvement.

The Trust entered into a new Trust-wide estates management contract in April 2022. A comprehensive review of its cost effectiveness is taking place during 2023-24. Linked to this, the Trust is also reviewing its current health and safety arrangements, given the greater profile and increased emphasis of this area in relation to estates.

Health and safety services are delivered largely through an external provider, but alternative options will be considered to identify the most effective manner through which assurance can be provided to Trustees relating to this service.

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 ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Academy Transformation Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

The system of internal financial control is in the process of a comprehensive review and, as such, trustees are confident that the existing framework will be strengthened through revised processes and procedures.

REVIEW OF EFFECTIVENESS

The Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control.

- the reports for any internal scrutiny reports performed.
- the work of the external auditors.
- the financial management and governance self-assessment process;
- the work of the executive leaders within the Trust who have responsibility for the development and maintenance of the internal control framework.

SUMMARY OF GOVERNANCE REVIEW

The audit of Governance carried out in May 2023 advised that the board could take reasonable assurance that the controls upon which the organisation relied to manage this risk are suitably designed. Some minor issues were identified which have since been addressed in order to ensure that the control framework is effective in managing the identified risk.

Terms of Reference have been reviewed, and an annual cycle of business introduced. A robust Trustee and Governor Induction is now in place, and Trustee recruitment has ensured that there are a minimum of 3 Trustees on each committee, with all Fit to Serve forms stored for every Trustee.

A self-evaluation of the Board has since taken place as part of a Trustee Strategy Day, from which targets for Governance by 2027 have been set.

Recruitment of an additional Member has decreased the ratio of Trustees who are also Members to 2:6, therefore reducing the risk.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Pat Beanland
Chair of Trustees
Date: 19th December 2023



Sir Nick Weller
CEO and Accounting Officer
Date: 19th December 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Academy Transformation Trust, I have considered my responsibility to notify the trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the trust Board of Trustees are able to identify any material irregular or improper use of all funds by the trust, or material non-compliance with the terms and conditions of funding under the trust's funding agreement and the Academy Trust Handbook 2022.

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.



Sir Nick Weller
CEO and Accounting Officer
Date:

19th December 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Pat Beanland
Chair of Trustees
Date:

19th December 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ACADEMY TRANSFORMATION TRUST**

Opinion

We have audited the financial statements of Academy Transformation Trust (the 'trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ACADEMY TRANSFORMATION TRUST (CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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 trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ACADEMY TRANSFORMATION TRUST (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and assessment of the impact of schools joining the trust in relation to these areas;
- how the trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters were discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ACADEMY TRANSFORMATION TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

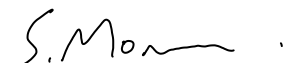
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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



Simon Morrison FCA (Senior statutory auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 20 | 12 | 2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ACADEMY
TRANSFORMATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Academy Transformation Trust during the year 1 September 2022 to 31 August 2023 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 Academy Transformation Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Academy Transformation 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 Academy Transformation Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ACADEMY TRANSFORMATION TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Academy Transformation Trust's funding agreement with the Secretary of State for Education dated 1 April 2016 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ACADEMY
TRANSFORMATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Simon Morrison FCA (Senior statutory auditor)

Bishop Fleming LLP

Chartered Accountant

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date: 20/12/2023

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants	3	75	-	3,959	4,034	4,154
Other trading activities	6	1,115	-	-	1,115	619
Investments	7	1	-	-	1	1
Charitable activities	4	2,206	83,020	-	85,226	77,693
Total income		3,397	83,020	3,959	90,376	82,467
Expenditure on:						
Raising funds	8	1,831	1,738	-	3,569	1,682
Charitable activities	9	1,566	82,766	3,183	87,515	84,565
Total expenditure		3,397	84,504	3,183	91,084	86,247
Ne(expenditure)/ income		-	(1,484)	776	(708)	(3,780)
Transfers between funds	19	-	(572)	572	-	-
Net movement in funds before other recognised gains/(losses)		-	(2,056)	1,348	(708)	(3,780)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	10,677	-	10,677	52,541
Pension surplus not recognised	26	-	(2,237)	-	(2,237)	-
Net movement in funds		-	6,384	1,348	7,732	48,761
Reconciliation of funds:						
Total funds brought forward		-	(8,067)	127,520	119,453	70,692
Net movement in funds		-	6,384	1,348	7,732	48,761
Total funds carried forward		-	(1,683)	128,868	127,185	119,453

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 32 to 63 form part of these financial statements.

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07846852**

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £000	As restated 2022 £000
Fixed assets			
Tangible assets	15	128,868	126,207
Current assets			
Debtors	16	3,428	2,793
Cash at bank and in hand		6,670	9,550
		<u>10,098</u>	<u>12,343</u>
Creditors: amounts falling due within one year	17	(8,480)	(8,499)
Net current assets		<u>1,618</u>	<u>3,844</u>
Total assets less current liabilities		<u>130,486</u>	<u>130,051</u>
Net assets excluding pension liability		<u>130,486</u>	<u>130,051</u>
Defined benefit pension scheme liability	26	(3,301)	(10,598)
Total net assets		<u><u>127,185</u></u>	<u><u>119,453</u></u>
Funds of the trust			
Restricted funds:			
Fixed asset funds	19	128,868	127,520
Restricted income funds	19	1,618	2,531
		<u>130,486</u>	<u>130,051</u>
Restricted funds excluding pension asset	19	130,486	130,051
Pension reserve	19	(3,301)	(10,598)
Total restricted funds	19	<u>127,185</u>	<u>119,453</u>
Unrestricted income funds	19	-	-
Total funds		<u><u>127,185</u></u>	<u><u>119,453</u></u>

The financial statements on pages 29 to 63 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Pat Beanland

Chair of Trustees

Date: 19th December 2023

The notes on pages 32 to 63 form part of these financial statements.

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(993)	361
Cash flows from investing activities	23	(1,884)	(2,153)
Cash flows from financing activities	22	(3)	(21)
Change in cash and cash equivalents in the year		(2,880)	(1,813)
Cash and cash equivalents at the beginning of the year		9,550	11,363
Cash and cash equivalents at the end of the year	24, 25	6,670	9,550

The notes on pages 32 to 63 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in Sterling, which is the functional and presentation currency of the Academy Trust, and are rounded to the nearest £1,000.

The following principal accounting policies have been applied:

1.2 GOING CONCERN

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

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

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 allocated on the portion of the asset's use.

• **Expenditure on raising funds**

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1. ACCOUNTING POLICIES (continued)

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 TAXATION

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

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

1.7 TANGIBLE FIXED ASSETS

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold property	- 2% straight line
Leasehold property	- 2% straight line
Fixtures and fittings	- 10% straight line
Computer equipment	- 33% straight line
Motor vehicles	- 20% straight line

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.

1.8 DEBTORS

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

1. ACCOUNTING POLICIES (continued)

1.9 CASH AT BANK AND IN HAND

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

1.10 LIABILITIES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. 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 as detailed in note 17. 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.

1.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

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

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

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

1.14 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in note 30.

1.15 FUND ACCOUNTING

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	75	-	75	78
Capital grants	-	3,959	3,959	4,076
TOTAL 2023	<u>75</u>	<u>3,959</u>	<u>4,034</u>	<u>4,154</u>
TOTAL 2022	<u>78</u>	<u>4,076</u>	<u>4,154</u>	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Education	1,617	83,020	84,637	77,058
Nursery	589	-	589	635
TOTAL 2023	<u>2,206</u>	<u>83,020</u>	<u>85,226</u>	<u>77,693</u>
TOTAL 2022	<u>1,722</u>	<u>75,971</u>	<u>77,693</u>	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. FUNDING FOR THE TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant (GAG)	-	63,463	63,463	59,766
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	4,497	4,497	4,224
Universal Infant Free School Meals	-	304	304	286
Teachers Pension Grant	-	80	80	95
Teachers Pay Grant	-	4	4	23
16-19 School Budget Share	-	2,641	2,641	2,595
School Supplementary Grant	-	1,945	1,945	810
Adult Education Budget	-	1,757	1,757	1,276
Other DfE/ESFA grants	-	2,315	2,315	1,638
	-	77,006	77,006	70,713
OTHER GOVERNMENT GRANTS				
High Needs - SEN	-	2,978	2,978	2,869
Other government grants	-	2,096	2,096	1,697
	-	5,074	5,074	4,566
COVID-19 ADDITIONAL FUNDING				
DfE/ESFA Catchup Premium	-	-	-	275
Other DfE/ESFA COVID-19 funding	-	940	940	417
	-	940	940	692
OTHER INCOME				
Other income self generated	522	-	522	1,003
Catering income	1,095	-	1,095	84
	1,617	-	1,617	1,087
TOTAL 2023	1,617	83,020	84,637	77,058
TOTAL 2022	1,087	75,971	77,058	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

6. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Lettings	259	259	255
School trips	826	826	323
Other	30	30	41
TOTAL 2023	<u>1,115</u>	<u>1,115</u>	<u>619</u>
TOTAL 2022	<u>619</u>	<u>619</u>	

7. INVESTMENT INCOME

	Total funds 2023 £000	Total funds 2022 £000
Bank interest	<u>1</u>	<u>1</u>

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

8. EXPENDITURE

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Expenditure on fundraising activities:					
Direct costs	-	-	3,569	3,569	1,683
Education:					
Direct costs	56,239	-	7,560	63,799	60,445
Support costs	9,140	12,024	2,447	23,611	23,646
Nursery:					
Direct costs	105	-	-	105	474
TOTAL 2023	<u>65,484</u>	<u>12,024</u>	<u>13,576</u>	<u>91,084</u>	<u>86,248</u>
TOTAL 2022	<u>65,789</u>	<u>9,418</u>	<u>11,041</u>	<u>86,248</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Education	63,799	23,611	87,410	84,091
Nursery	105	-	105	474
TOTAL 2023	<u>63,904</u>	<u>23,611</u>	<u>87,515</u>	<u>84,565</u>
TOTAL 2022	<u>60,919</u>	<u>23,646</u>	<u>84,565</u>	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Education 2023 £000	Nursery 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	269	-	269	551
Staff costs	54,544	105	54,649	53,528
Educational supplies	1,270	-	1,270	329
Examination fees	986	-	986	878
Staff development	132	-	132	204
Other costs	1,917	-	1,917	1,727
Supply teachers	1,693	-	1,693	1,481
Technology costs	882	-	882	878
Educational consultancy	2,106	-	2,106	1,343
TOTAL 2023	<u>63,799</u>	<u>105</u>	<u>63,904</u>	<u>60,919</u>
TOTAL 2022	<u>60,445</u>	<u>474</u>	<u>60,919</u>	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS (continued)

ANALYSIS OF SUPPORT COSTS

	Education 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	180	180	421
Staff costs	9,101	9,101	10,684
Depreciation	3,183	3,183	2,855
Other costs	(176)	(176)	610
Supply teachers	39	39	83
Recruitment and support	229	229	240
Maintenance of premises and equipment	3,434	3,434	2,316
Cleaning	2,107	2,107	2,095
Rent and rates	555	555	399
Energy costs	2,235	2,235	1,280
Insurance	383	383	425
Security and transport	363	363	333
Catering	36	36	57
Technology costs	713	713	857
Office overheads	990	990	878
Legal and professional	1	1	1
Bank interest and charges	3	3	4
PFI charges	147	147	48
Governance	88	88	60
TOTAL 2023	<u>23,611</u>	<u>23,611</u>	<u>23,646</u>
TOTAL 2022	<u>23,646</u>	<u>23,646</u>	

**ACADEMY TRANSFORMATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

10. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2023	2022
	£000	£000
Operating lease rentals	124	82
Depreciation of tangible fixed assets	3,183	2,855
Fees paid to auditors for:		
- audit	55	52
- other services	14	14
	<u> </u>	<u> </u>

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	47,541	44,622
Social security costs	4,996	4,654
Pension costs	11,083	14,735
	<u> </u>	<u> </u>
	63,620	64,011
Agency staff costs	1,733	1,578
Staff restructuring costs	131	200
	<u> </u>	<u> </u>
	65,484	65,789
	<u> </u>	<u> </u>

Staff restructuring costs comprise:

Severance payments	<u> </u>	<u> </u>
	131	200

b. SPECIAL STAFF SEVERANCE PAYMENTS

included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £131k (2022: £200k). Individually, the payments were: £2k, £6k, £7k, £8k, £8k, £13k, £13k, £21k, £26k and £27k (2022: £1k, £3k, £7k, £11k, £14k, £15k, £38k, £41k and £70k).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. STAFF (CONTINUED)

c. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	773	802
Administration and support	961	920
Management	32	38
	<u>1,766</u>	<u>1,760</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	678	691
Administration and support	475	477
Management	32	35
	<u>1,185</u>	<u>1,203</u>

d. HIGHER PAID STAFF

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	40	21
In the band £70,001 - £80,000	15	13
In the band £80,001 - £90,000	8	10
In the band £90,001 - £100,000	5	3
In the band £100,001 - £110,000	3	3
In the band £120,001 - £130,000	1	2
In the band £130,001 - £140,000	-	1
In the band £150,001 - £160,000	1	1
In the band £190,001 - £200,000	1	-
	<u>1</u>	<u>-</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the trust was £1,587,401 (2022 - £1,692,927).

12. CENTRAL SERVICES

Between 1 September 2019 and 31st August 2022, the budget model, and in line with the funding agreement, was revised to encapsulate General Annual Grant pooling. However, from 1 September 2022, the Trust has revoked the GAG pooling arrangements.

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

- Chief Executives Office
- Business planning and strategy
- Educational improvement
- Governance and legal
- Internal and external communications (including marketing)
- Human resources
- The ATT institute - delivery CPD and training
- ICT
- Estates
- Procurement
- Finance

The trust charges for these services on the following basis:

The central recharge contribution is a live calculation within the Trust's forecasting tool which is based upon 8% of the projected total General Annual Grant statement for each academy, with that for ATT FE based upon 8% of the total projected income.

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12. CENTRAL SERVICES (CONTINUED)

The actual amounts charged during the year were as follows:

	2023 £000
Beck Row	88
Bristnall Hall	544
Caldmore	167
Great Heath	181
Iceni	343
Jubilee	93
Kingsmoor	118
Mark Hall	-
Mildenhall	591
North Walsall Primary	96
Phoenix	33
Pool Hayes	555
Queen Elizabeth	333
Ravens	147
Star	84
Sun	73
Sutton	388
The Dukeries	361
The Hathaway	368
The Nicholas Hammond	326
Westbourne	503
ATT FE	274
TOTAL	5,666

13. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £2,519 were reimbursed or paid directly to 4 Trustees (2022 - £2,845 to 6 Trustees). The nature of these expenses were in relation to travel and subsistence.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023 was £8,149 (2022 - £8,149). The cost of this insurance is included in the total insurance cost. From 1st September 2023 the Trust has joined the RPA insurance arrangements.

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FOR THE YEAR ENDED 31 AUGUST 2023**

15. TANGIBLE FIXED ASSETS

	Freehold property £000	Leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
COST OR VALUATION							
At 1 September 2022	18,299	124,154	1,713	2,004	3,521	30	149,721
Additions	921	4,095	543	-	285	-	5,844
Transfers between classes	518	975	(1,504)	-	11	-	-
At 31 August 2023	<u>19,738</u>	<u>129,224</u>	<u>752</u>	<u>2,004</u>	<u>3,817</u>	<u>30</u>	<u>155,565</u>
DEPRECIATION							
At 1 September 2022	2,429	16,895	-	848	3,321	21	23,514
Charge for the year	357	2,341	-	200	279	6	3,183
At 31 August 2023	<u>2,786</u>	<u>19,236</u>	<u>-</u>	<u>1,048</u>	<u>3,600</u>	<u>27</u>	<u>26,697</u>
NET BOOK VALUE							
At 31 August 2023	<u>16,952</u>	<u>109,988</u>	<u>752</u>	<u>956</u>	<u>217</u>	<u>3</u>	<u>128,868</u>
At 31 August 2022	<u>15,871</u>	<u>107,259</u>	<u>1,713</u>	<u>1,156</u>	<u>199</u>	<u>9</u>	<u>126,207</u>

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FOR THE YEAR ENDED 31 AUGUST 2023**

16. DEBTORS

	2023	2022
	£000	£000
DUE WITHIN ONE YEAR		
Trade debtors	414	323
Other debtors	39	37
Prepayments and accrued income	2,254	1,746
VAT recoverable	721	687
	<u>3,428</u>	<u>2,793</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£000	£000
ESFA loans	-	3
Trade creditors	1,774	1,007
Other taxation and social security	1,110	1,066
Other creditors	1,334	1,685
Accruals and deferred income	4,262	4,738
	<u>8,480</u>	<u>8,499</u>

18. FINANCIAL INSTRUMENTS

	2023	2022
	£000	£000
FINANCIAL ASSETS		
Financial assets measured at amortised cost	<u>8,152</u>	<u>10,832</u>
	2023	2022
	£000	£000
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	<u>6,058</u>	<u>6,208</u>

Financial assets measured at amortised cost comprise cash at bank and in hand, trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors, ESFA loans and accruals.

**ACADEMY TRANSFORMATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS

	As restated Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
UNRESTRICTED FUNDS						
General Funds - all funds	-	3,397	(3,397)	-	-	-
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	2,051	63,463	(63,324)	(572)	-	1,618
Pupil Premium	-	4,497	(4,497)	-	-	-
Other ESFA	480	9,986	(10,466)	-	-	-
Othr Government Grants	-	5,074	(5,074)	-	-	-
Pension reserve	(10,598)	-	(1,143)	-	8,440	(3,301)
	(8,067)	83,020	(84,504)	(572)	8,440	(1,683)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on coonversion	75,403	-	(1,826)	-	-	73,577
Fixed assets purchased from GAG and other restricted funds	848	-	(20)	-	-	828
DfE/ESFA capital grants	50,755	3,959	(1,325)	572	-	53,961
Private sector capital grant	514	-	(12)	-	-	502
	127,520	3,959	(3,183)	572	-	128,868
TOTAL RESTRICTED FUNDS	119,453	86,979	(87,687)	-	8,440	127,185
TOTAL FUNDS	119,453	90,376	(91,084)	-	8,440	127,185

19. STATEMENT OF FUNDS (CONTINUED)

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

RESTRICTED FUNDS:

General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Pupil Premium (PP) - Income from the ESFA which is to be used to address the current inequalities by ensuring that funding to tackle disadvantage reaches the students who need it most.

Other DfE/ESFA grants - Income from the ESFA which has been received for specific purposes.

Other government grants - Income from other government sources which has been received for specific purposes.

Pension reserve - This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme (LGPS).

RESTRICTED FIXED ASSET FUNDS:

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed assets purchased from GAG - This represents capital assets that have been purchased out of restricted GAG funding.

DfE/ESFA Capital grants - This represents funding from the ESFA to cover maintenance and purchase of the schools assets.

Private sector capital sponsorship - This represents funding from the private sector to cover maintenance and purchase of the schools assets.

Included in DfE/ESFA capital grants is School Condition Allocation (SCA) income. This is initially recognised in the restricted fixed asset fund with a proportion transferred to the restricted fund, representing the amounts on revenue expenditure.

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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £000	As restated Income £000	As restated Expenditure £000	As restated Transfers in/out £000	Gains/ (Losses) £000	As restated Balance at 31 August 2022 £000
UNRESTRICTED FUNDS						
General Funds	-	2,421	(3,234)	813	-	-
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	404	63,171	(61,524)	-	-	2,051
Pupil Premium	-	4,423	(4,423)	-	-	-
Other DfE/ESFA grants	463	4,009	(3,992)	-	-	480
Other government grants	-	4,566	(4,566)	-	-	-
Pension reserve	(57,288)	-	(5,851)	-	52,541	(10,598)
	<u>(56,421)</u>	<u>76,169</u>	<u>(80,356)</u>	<u>-</u>	<u>52,541</u>	<u>(8,067)</u>

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19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £000	As restated Income £000	As restated Expenditure £000	As restated Transfers in/out £000	Gains/ (Losses) £000	As restated Balance at 31 August 2022 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	77,056	-	(1,653)	-	-	75,403
Fixed assets purchased from GAG and other restricted funds	867	-	(19)	-	-	848
DfE/ESFA capital grants	48,665	4,075	(1,172)	(813)	-	50,755
Private sector capital grant	525	-	(11)	-	-	514
	<u>127,113</u>	<u>4,075</u>	<u>(2,855)</u>	<u>(813)</u>	<u>-</u>	<u>127,520</u>
TOTAL RESTRICTED FUNDS	<u>70,692</u>	<u>80,244</u>	<u>(83,211)</u>	<u>(813)</u>	<u>52,541</u>	<u>119,453</u>
TOTAL FUNDS	<u>70,692</u>	<u>82,665</u>	<u>(86,445)</u>	<u>-</u>	<u>52,541</u>	<u>119,453</u>

In the prior year reserves of £1,350,000 were misallocated between the Restricted Pension Fund and Restricted General Funds, in addition reserves of £706,000 were allocated to Restricted General Funds rather than Restricted Fixed Asset Funds. These items have been restated in the current period, this has not resulted in any change in overall funds reported but has meant individual reserves balances are restated by these amounts.

**ACADEMY TRANSFORMATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	As restated
	£000	2022
		£000
Central services	1,618	2,531
Restricted fixed asset fund	128,868	127,520
Pension reserve	(3,301)	(10,598)
TOTAL	127,185	119,453

**ACADEMY TRANSFORMATION TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Beck Row	908	103	36	297	1,344	1,192
Bristnall Hall	5,489	374	108	1,380	7,351	6,408
Caldmore	1,578	178	31	617	2,404	1,975
Great Heath	1,881	129	47	499	2,556	2,107
Iceni	3,086	255	141	1,440	4,922	4,041
Jubilee	794	105	20	418	1,337	1,273
Kingsmoor	1,442	107	61	385	1,995	1,771
Mark Hall	-	-	-	-	-	14
Mildenhall	5,773	488	206	1,896	8,363	6,487
North Walsall Primary	1,051	113	16	385	1,565	1,391
Phoenix	982	95	21	309	1,407	1,324
Pool Hayes	5,067	457	165	1,436	7,125	6,338
Queen Elizabeth	2,944	366	100	1,035	4,445	4,006
Ravens	1,485	107	69	513	2,174	2,101
Star	806	87	19	349	1,261	1,058
Sun	749	81	28	317	1,175	1,013
Sutton	3,842	325	237	1,464	5,868	4,854
The Dukeries	3,295	327	158	1,610	5,390	4,515
The Hathaway	2,934	385	194	928	4,441	4,254
The Nicholas Hammond	2,895	183	79	976	4,133	3,625
Westbourne	4,460	511	360	1,573	6,904	5,851
ATT FE	927	1,789	156	762	3,634	3,064
Central services	2,882	2,259	5	2,961	8,107	14,730
TRUST	55,270	8,824	2,257	21,550	87,901	83,392

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**NOTES TO THE FINANCIAL STATEMENTS
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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	128,868	128,868
Current assets	10,098	-	10,098
Creditors due within one year	(8,480)	-	(8,480)
Provisions for liabilities and charges	(3,301)	-	(3,301)
TOTAL	<u>(1,683)</u>	<u>128,868</u>	<u>127,185</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds As restated 2022 £000	Restricted fixed asset funds As restated 2022 £000	Total funds As restated 2022 £000
Tangible fixed assets	-	126,207	126,207
Current assets	10,375	1,968	12,343
Creditors due within one year	(7,844)	(655)	(8,499)
Provisions for liabilities and charges	(10,598)	-	(10,598)
TOTAL	<u>(8,067)</u>	<u>127,520</u>	<u>119,453</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£000	£000
Net expenditure for the year (as per Statement of financial activities)	(708)	(3,780)
ADJUSTMENTS FOR:		
Depreciation	3,183	2,855
Capital grants from DfE and other capital income	(3,959)	(4,076)
Interest receivable	(1)	(1)
Defined benefit pension scheme cost less contributions payable	694	4,879
Defined benefit pension scheme finance cost	449	973
Decrease in debtors	(635)	795
Increase/(decrease) in creditors	(16)	(1,284)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(993)	361

22. CASH FLOWS FROM FINANCING ACTIVITIES

	2023	2022
	£000	£000
Repayments of borrowing	(3)	(21)
NET CASH USED IN FINANCING ACTIVITIES	(3)	(21)

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£000	£000
Interest received	1	1
Purchase of tangible fixed assets	(5,844)	(6,230)
Capital grants from DfE Group	3,959	4,076
NET CASH USED IN INVESTING ACTIVITIES	(1,884)	(2,153)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£000	£000
Cash in hand and at bank	6,670	9,550
TOTAL CASH AND CASH EQUIVALENTS	6,670	9,550

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	9,550	(2,880)	6,670
Debt due within 1 year	(3)	3	-
	<u>9,547</u>	<u>(2,877)</u>	<u>6,670</u>

26. PENSION COMMITMENTS

The trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Norfolk Pension Funds, West Midlands Pension Fund, Essex Pension Fund, Staffordshire Pension Fund, Suffolk Pension Fund, Nottinghamshire County Council Pension Fund and Warwickshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £1,170,000 were payable to the schemes at 31 August 2023 (2022 - £1,034,000) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

26. PENSION COMMITMENTS (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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £6,998,000 (2022 - £6,519,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and (www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx) for 2020.

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £4,064,000 (2022 - £4,040,000), of which employer's contributions totalled £3,153,000 (2022 - £3,210,000) and employees' contributions totalled £911,000 (2022 - £830,000). The agreed contribution rates for future years are 18.3 - 29.5 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

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26. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.8	3.9
Rate of increase for pensions in payment/inflation	3.0	3.0
Discount rate for scheme liabilities	5.2	4.3

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

	2023	2022
	Years	Years
Retiring today		
Males	19.8	21.4
Females	23.9	23.9
Retiring in 20 years		
Males	21.6	22.6
Females	24.9	25.5

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(1,267)	(1,552)
Discount rate -0.1%	1,278	1,567
Mortality assumption - 1 year increase	2,031	2,268
Mortality assumption - 1 year decrease	(2,014)	(2,250)
CPI rate +0.1%	1,210	1,306
CPI rate -0.1%	(1,199)	(1,293)
Salary increase +0.1%	93	171
Salary decrease -0.1%	(93)	(171)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	34,486	30,703
Corporate bonds	10,173	8,134
Property	5,176	4,118
Cash	1,912	1,655
Other	3,886	4,688
Total market value of assets	55,633	49,298

The actual return on scheme assets was £(1,710,000) (2022 - £(2,498,000)).

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

	2023 £000	2022 £000
Current service cost	(3,842)	(8,089)
Past service cost	(5)	-
Interest income	2,256	834
Interest cost	(2,705)	(1,806)
Total	(4,296)	(9,061)

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

	2023 £000	2022 £000
AT 1 SEPTEMBER	62,573	106,586
Current service cost	3,842	8,089
Interest cost	2,705	1,806
Employee contributions	911	830
Actuarial losses/(gains)	(11,938)	(54,067)
Benefits paid	(1,401)	(671)
Past service costs	5	-
AT 31 AUGUST	56,697	62,573

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26. PENSION COMMITMENTS (CONTINUED)

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

	2023	2022
	£000	£000
AT 1 SEPTEMBER	51,975	49,298
Interest income	2,264	841
Actuarial gains	(1,261)	(1,526)
Employer contributions	3,153	3,210
Employee contributions	911	830
Benefits paid	(1,401)	(671)
Admin expenses	(8)	(7)
AT 31 AUGUST	55,633	51,975

The trust has an unrecognised surplus of £2,237,000 (2022 - £556,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

27. OPERATING LEASE COMMITMENTS

At 31 August 2023 the trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023	2022
	£000	£000
Not later than 1 year	88	78
Later than 1 year and not later than 5 years	73	93
	161	171

28. MEMBERS' LIABILITY

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

29. RELATED PARTY TRANSACTIONS

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

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30. AGENCY ARRANGEMENTS

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023 the Trust received £204k (2022: £126k) and disbursed £175k (2022: £106k) from the fund. An amount of £128k (2022: £106k) is included in other creditors relating to undistributed funds that is repayable to ESFA.

31. GENERAL INFORMATION

Academy Transformation Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Emmanuel Court, Reddicroft, Sutton Coldfield, B73 6AZ.