

Academy Transformation Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2024

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 (resigned 31 May 2024) M McDonagh T Campbell (resigned 22 August 2024) G Bhatia (resigned 13 April 2024) L Jones J Heale D Elleman (appointed 26 April 2024) T Craig (appointed 12 June 2024)
Trustees	P Beanland T Clark J Dawson (resigned 17 October 2024) A Milne L Jones E Bonar M Gill G Hawkins (appointed 25 September 2023) G Stokes (appointed 9 January 2024)
Company registered number	07846852
Company name	Academy Transformation Trust
Principal and registered office	Emmanuel Court Reddicroft Sutton Coldfield B73 6AZ
Company secretary	M Chatra
Chief executive officer	N Weller (resigned 16 October 2024) D Trimmer (Acting CEO from 16 October 2024)

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Reference and Administrative Details (continued)
For the Year Ended 31 August 2024

**Senior management
team**

N Weller, Chief Executive Officer (resigned 16 October 2024)
D Trimmer, Acting Chief Executive Officer - Co-deputy CEO (Education) until 16 October 2024
M Chatra, Deputy CEO - Co-deputy CEO (Finance and Operations) until 16 October
C Rushton, Director of the ATT Institute
J Howell, Director of IT and Procurement
G McGroary, Director of Estates
N Deen, Director of Primary Education
C Plant, Director of People Strategy
G Trott, Director of Secondary Education
C Franklin, Director of Safeguarding and SEND
A Lymbouris, Trust Executive Primary Principal
N Brown, Trust Executive Primary Principal
G Rae, Trust Executive Secondary Principal
L Niemczyk, Trust Executive Secondary Principal
N Hood, Trust Executive Secondary Principal

Independent auditors

Dains Audit Limited
2 Chamberlain Square
Paradise
Birmingham
B3 3AX

Bankers

Lloyds Bank
114-116 Colmore Row
Birmingham
B3 3BD

Solicitors

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

Academy Transformation Trust
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Trustees' Report
For the Year Ended 31 August 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024. The annual report serves the purposes 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 13,198 (2023: 13,018) and had a roll of 11,659 (2023 11,514) in the school census on 1 October 2023.

The Trust also operates further education provision mostly within Nottinghamshire. In the current reporting period, 1,657 (2023 - 1,658) post 16 learners (including 19+ learners and subcontracted provision) benefitted from this provision.

Structure, governance and management

a. Constitution

The Academy Trust is a charitable 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 during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while he/she are 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.

c. 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.

Structure, governance and management (continued)

d. Method of recruitment and appointment or election 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 2023-24, we were able to boost the experience of the Board in educational leadership and audit and risk throughout the recruitment of new Trustees.

e. Policies adopted for the induction and training of 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 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: safeguarding; government gender questioning update; PREVENT training; anti bullying response; diversity, equality and inclusion; financial scrutiny, including Pupil Premium, managing SEND and alternative provision, capital estates and IT planning; statutory procedures for managing exclusions and complaints, (including the IRP process); risk management; behaviour and culture, 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:

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

Structure, governance and management (continued)

f. 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 academies as 1 joint cluster).

Overview of responsibilities from the Governance Scheme of Delegation

Members' reserved powers during 2023-24 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
- 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 Chief Executive Officer 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 functions of governance described in the DfE's Academy Trust Governance Guide: ensuring strategic leadership, accountability of the executive and strategic engagement. The Trust Board also ensures that it delivers an excellent education to pupils while maintaining effective financial management and ensures compliance with:

- the trust's charitable objects
- regulatory, contractual and statutory requirements
- their funding agreement

Structure, governance and management (continued)

The Trust Board also has:

- strategic and statutory responsibility for safeguarding and special educational needs and disabilities (SEND) arrangements within (and across) the academy trust ensuring the promotion of pupil welfare and for keeping their estates safe and well-maintained
- a role in making sure that it delivers its commitment to other schools and academies.

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). On 25 October 2024, Sir Nick Weller stepped down from his role as Chief Executive Officer and Accounting Officer, and Derek Trimmer became Acting CEO and Accounting Officer.

g. 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, with consideration of contributory factors such as the scope and demands of the role, the expectations within the current Academies 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 and informed by an independent Trust Development Partner, who conducts a full and wide-ranging review of performance at key points in the year.

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Trustees' Report (continued)
For the Year Ended 31 August 2024

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	17
Full-time equivalent employee number	16

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	26
Total pay bill	71,053
Percentage of total pay bill spent on facility time	0.037 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

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

Structure, governance and management (continued)

j. 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 continue to be utilised.

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

The Trust engages regularly with union representatives and holds termly meetings with all unions and various officers from the Trust. Employee matters are discussed through these channels.

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.

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Academy Trust's offices.

Objectives and activities

a. 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.

b. 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

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.

Achievements and performance

a. Strategic report

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 2023-24, 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 analysed 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 had particular success in primary. In 2023-24, we launched new initiatives on teacher recruitment and were significantly more fully staffed by the start of 2024-25. We continue to address these two most significant restraints on pupil progress.
4. We reduced the level of deficit in 2023-24 as compared with 2022-23, and the priority for the next few years is to grow reserves to a more comfortable level. We have also identified our areas of geographical focus for future growth.

Educational Performance:

- Our ten primaries saw a significant improvement in outcomes overall in every measure from Year 1 Phonics to the Year 4 Multiplication Tables Check to each element of the Year 6 SATs, at both Age-Related Expectation and at Greater Depth.
- At least some of this can be put down to higher and improving levels of attendance at our primary academies in 2023-24.
- With significantly higher levels of Disadvantage than national, we remain focused on closing the gap on Other children nationally.
- The Early Years Foundation Stage remained static, despite lower levels of school readiness for some children, both in terms of familiarity with books and number as well as toileting. Developing even stronger and more consistent practice in EYFS remains a priority for the coming year.
- At KS4, EBacc entry remains much higher than national, reflecting our commitment to high-value qualifications which transform life chances.
- Final results are yet to be published after re-marks and the checking exercise, but disappointingly we shall be no better than our 2023 outcomes.
- Performance in the English, Maths and EBacc elements were in line with 2023. There was, however, a fall in the Open Element driving a dip in overall A8 grade by 0.1, owing, in part, to the introduction of new BTEC qualifications nationally.

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Trustees' Report (continued)
For the Year Ended 31 August 2024

Achievements and performance (continued)

- Serving areas of high deprivation post-Covid poses particular challenges nationally, but we are steadfast in our recent work on culture, attendance and pedagogy, and we are determined to see these reflected in our outcomes in 2025.
- At Post-16, it is pleasing to report the recovery in the A-Level average grade at Mildenhall from C- to C+. Overall, our MAT average grades, for both A-Level and Applied courses, were unchanged. There was an increase of 10% in A-level A* to C grades at Pool Hayes and 9% at Mildenhall. The shift to Distinction+ as the average grade for applied courses at Sutton is also positive.
- However, we do need to recognise that small sixth forms are a drain on the resources available to KS3 and KS4, and this is very difficult to justify if results suggest that students would do at least as well if not better at larger colleges and sixth forms locally.
- Our ATT Further Education College continues its outstanding work in adult education, building resilience, independence and employability across a wide range of courses.
- The Principal, Liz Barrett OBE, has been appointed as one of Nottinghamshire's Deputy Lieutenants. This is an outstanding personal achievement and also reflects the profound impact her work at ATT FE has on the local communities not only in Sutton but more widely in Nottinghamshire.
- Eight (over a third) of our academies were visited by OFSTED the last year. We have sustained a very impressive set of judgements and have now built up our run of eighteen consecutive judgements of Good or better since November 2021.
- We were especially pleased with Beck Row's move from Requires Improvement to Good, and Ravens' move from Inadequate to Good:

Academy	Date Inspected	Previous Overall Judgement	Latest Judgement
Hathaway	June 2024	Good	Good
North Walsall	June 2024	Good	Good
Westbourne	June 2024	Good	Good
Mildenhall	May 2024	Good	Good
Ravens Academy	February 2024	Inadequate	Good
Sun Academy	February 2024	Good	Good
Great Heath	January 2024	Good	Good
Beck Row	December 2023	Requires Improvement	Good
Bristnall Hall	June 2023	Good+	Outstanding
ATT FE College	June 2023	Good	Good+
Phoenix Academy	November 2022	Good with declining features	Good
Star Academy	September 2022	Requires Improvement	Good
TQEA	June 2022	Good	Good
Pool Hayes	April 2022	Requires Improvement	Good
SCA	April 2022	Inadequate	Good
Nicholas Hamond	December 2021	Requires Improvement	Good
Bristnall Hall	November 2021	Good	Good+
Dukeries	October 2021	Good	Good

- All but one of our twenty-one academies are now judged Good or better, with our final RI academy due for inspection early in 2024-25. We are in a very strong position as we transition to an Ofsted scorecard in 2025.

Achievements and performance (continued)

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.

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.
- These opportunities include webinar series focused on Trust priorities, Aspiring System Leaders Development Pathway, Leadership Coaching, Fellowships, TA Development Pathway. In 2024-25 we welcome our first cohort of ITT trainees.

Achievements and performance (continued)

Apprenticeships

- We are currently spending funds at around the same at which we are receiving them, therefore total funds have remained roughly constant over the last 12 months. .
- There has been no clawback to date. However, there is some danger of clawback without increased spend next academic year.
- We are maximising our use of levy funding wherever appropriate, but we cannot recommend apprenticeship courses over other more appropriate qualifications that do not attract levy funding.
- For example, some levy spend is on Leadership, including level 7 apprenticeships, but the 6 hours per week required to complete these courses does not make them a viable option for most ATT colleagues, nor an alternative to NPQs.

Current Funds at 31 Aug 2024	£475,477
Funds spent since Sept 2023	£217,032
Projected funding for 2024-25	£272,446

- Levy spend by type of qualification:

Teaching (QTS)	11%
Teaching (other)	5%
Teaching Assistant	31%
Leadership	4%
Youth/Community/Sport	9%
Finance	3%
IT	27%
Admin	4%
HR	2%
Technician	4%

- Of the 222 apprenticeships started since the 2017/18 academic year, 44% have been completed and 38% are still live.
- This represents a drop-out rate of 18%. Of these, two thirds stopped when they left our employment, while a third are still employed by us.
- Of those staff who completed their apprenticeship, 57% have left us for other roles, while 43% are still with us. Of those whose apprenticeships are still live, two-thirds are completing it with us while a third are continuing their apprenticeships elsewhere.
- Of the current staff who have completed an apprenticeship, 31% have gone on to take up one of two further apprenticeships at a higher level.
- Our ATT Institute is in the final stages of petitioning the Institute for Apprenticeships and Technical Education (IfATE) for permission to create a level 3 Pastoral Apprenticeship Trailblazer group. We have interest from a number of large MATs and are hoping to form a group of interested parties in the Autumn term of 2024. This would be a very exciting project and could provide training for an important group of educational professionals.

Achievements and performance (continued)

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 and use of the My New Term platform as an applicant tracking system that has markedly improved the recruitment process. 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 several 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 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 continue to 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.

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 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.

A restructure of the HR was undertaken during 2023-24 to make the function more responsive and better equipped to address employee matters within the Trust.

At the tail-end of 2023-24, a tender exercise commenced in relation to its HR and payroll software and service. The tender was won by Access; a switch to the new provider will take effect from April 2025.

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Trustees' Report (continued)
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Achievements and performance (continued)

Finance and Business Operations

Estates

The Trust's primary source of estates capital funding was School Condition Allocation (SCA). In 2023-24, this amounted to £2,803k.

Our current Estates strategy continues to focus on reducing condition liability within our Trust but also considers educational need, space utilisation, sufficiency and capacity. This is due a major refresh in 2024-25 with a batch of newly commissioned condition surveys to inform a revised strategy, and a new SCA allocation model will also be rolled out in the forthcoming reporting period.

The majority of the Trust's estates activities are delivered through a contract with facilities management partner, Vertas. This contract is due to end on 31 March 2025, at which point many activities will revert back to in-house delivery.

One of the Trust's academies – Ravens based in Clacton-on-Sea – is affected by RAAC. Much of Raven's main building had to be closed for all of the 2023-24 academic year, with temporary accommodation being brought onto the site. Ravens was added to the DfE's School Rebuilding Programme, with a new building expected to be delivered in 2027.

The Trust also progressed work on The Dukeries Academy's School Rebuilding Programme project (which will see the whole school rebuilt by 2027), whilst moving forward with work to expand The Queen Elizabeth Academy, Mildenhall College Academy, Pool Hayes Academy and Phoenix Academy.

Elsewhere, a large-scale theatre refurbishment project at Sutton College Academy in Nottinghamshire commenced whilst a project to deliver a new floodlit, 3-G pitch at Westbourne Academy in Ipswich was completed.

On the catering front, the Trust terminated its contract with Chartwells a year before the contract was due to end, with catering staff transferring into ATT on 1 August.

ICT

The Trust's ICT Strategy's most significant move during 2023-24 was a procurement for a large volume of devices to ensure all ATT IT assets are Windows 11 compatible. A competitive tender process was undertaken during the summer of 2024 which will result in roll-out of several thousand new devices during the 2024-25 academic year.

ICT developments also saw further development of the Trust's new MIS system (Bromcom), with its My Child at School module rolled out across the Trust, in readiness for the 2024-25 academic year in addition to procurement of a new cashless catering system (through Cunninghams). Further progression of the transition to Cloud First was also a feature of the ICT team's efforts during 2023-24. Connect the Classroom, which saw £890k of funding received by the DfE in 2021/22 and 2022-23, was largely delivered during the 2023-24 academic year.

The ICT team also secured its first Cyber Essentials Plus accreditation.

Achievements and performance (continued)

b. 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 2023-24, the Trust did undertake redundancy processes across a number of its academies, and this work enabled ATT to set a surplus budget for 2024-25.

At 31 August 2024 the Trust had cumulative income reserves of £983k following an in year deficit of £635k. 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 £3,603k.

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

- Levels of inflation to remain relatively low in line with Office for Budget Responsibility.
- The likelihood for future pay awards to be significantly lower than they have been over the last several years.
- Cost savings being implemented and Integrated Curriculum Finance and Planning (ICFP) being firmly 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.

Trustees are aware that revenue reserves are relatively low, below the minimum level of reserves the DfE expects of academy trusts and cash balances were low at the end of the financial year. However, Trustees are satisfied that the Trust has a robust plan to manage finances more tightly during 2024-25 and actions to bring about efficiencies will help the Trust to grow reserves- despite continued sector-wide financial challenges.

The level of reserves are below that which the Trust would ideally like to hold (which would be a minimum of 5% of annual income). ATT has identified areas that have caused overspends in the last two years - relating to staffing, alternative provision, energy, estates and contracts that were not value for money - and is confident steps and measures it has introduced to tackle these (such as implementing ICFP and exiting expensive contracts) will achieve financial turnaround during 2024-25 and in subsequent years.

Academy Transformation Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the Year Ended 31 August 2024

Achievements and performance (continued)

The restricted fixed asset fund has fallen into a deficit of £1,076k after capital projects were undertaken in excess of SCA income allocations. The restricted fixed asset fund will be replenished from the 2025/26 SCA allocations following a programme of restrained capital spend.

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

Financial review

During 2023-24, our Trust reported an underlying deficit of £635k, with revenue reserves moving from £1,618k at the end of 2022-23 to £983k.

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 additional grants to support increased levels of pay inflation and growth in teacher pension employer contributions), 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, but largely due to estates, alternative provision, supply and energy costs, the year ended in a deficit position.

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 £1,666k. The pension valuation saw an actuarial gain of £2,729k (2023: £10,677k), due to a change in CPI inflation assumptions, with a pension surplus not recognised of £2,151 (2023: £2,237k).

a. 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 annual funding (in line with DfE guidance). The level of general reserves as at August 2024 (total funds less the amount held in fixed assets or committed funds) is a surplus of £983k (2023: surplus of £1,618k).

b. 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 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.

c. 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 are aware of its responsibilities in relation to effective management of the estate and health and safety. To that end, Trustees have commissioned for a new set of comprehensive condition surveys that will inform a new estates vision, strategy and asset management plan, and they will also inform updates to existing policies. Furthermore, reporting on estates and health and safety is being updated and improved with the estates operating model moving back to primarily in-house provision from 1 April 2025.

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.

d. 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.

e. 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.

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 for 1 Sept. 2023 to 31 August 2024	
Energy Consumption Used to Calculate Emissions	
Energy consumption breakdown	
Gas (kWh)	9,459,306
Electricity (kWh)	4,350,548
Minibuses (miles)	180,226
Business travel (miles)	306,072
Scope 1 Emissions in Metric Tonnes CO₂e	
Gas	1,739.09
Minibuses	51.37
Scope 2 Emissions in Metric Tonnes CO₂e	
Electricity	0.00
Scope 3 Emissions in Metric Tonnes CO₂e	
Business travel	87.24
Total Gross Emissions in Metric Tonnes CO₂e	1,877.70
Intensity Ratio Tonnes CO₂e Per Pupil	0.16

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 2024-25 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 utilising utilities consumption data to help identify areas of inefficiency.

Academy Transformation Trust
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Trustees' Report (continued)
For the Year Ended 31 August 2024

Disclosure of information to auditors

Dains replaced Bishop Fleming as external auditor after securing the contract for an initial three year period following a competitive tender process that occurred in Spring 2024.

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.

Auditors

The auditors, Dains Audit Limited, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' Report was approved by order of the Board of Trustees, as the company directors, on 10 December 2024 and signed on its behalf by:



Pat Beanland
Chair of Trustees



Tom Clark
Vice Chair of Trustees

Academy Transformation Trust
(A Company Limited by Guarantee)

Governance Statement

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. The Board of Trustees has formally met 7 times during the year.

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	7/7	3/3	3/3	-	1/1
ELAINE BONAR	6/7	-	-	2/3	-
GAVIN HAWKINS	5/6	-	-	3/3	-
GEOFF STOKES	4/4	-	2/2	-	-
JOANNE DAWSON	4/7	2/3	-	-	-
LOUISE JONES	4/7	3/3	-	-	0/1
MARK GILL	7/7	-	3/3	-	1/1
PAT BEANLAND	7/7	-	-	3/3	1/1
TOM CLARK	6/7	-	1/1	2/3	-

Governance Statement (continued)

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 accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Commissioned reviews of key contracts- with the two biggest both being terminated on value for money grounds;
- 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.
- Development of a central contracts database, to identify efficiency opportunities through central procurement on behalf of academies;
- Recruiting a new Procurement and Contracts Manager, to drive a value for money agenda within ATT;
- Implementation of renewable energy initiatives such as Biomass and Solar technology to reduce carbon footprint, utility costs and secure RHI;
- Implementing a new Procurement Policy.

In the subsequent reporting period, the Trust has increased its emphasis of value for money through:

- Commissioning new tender processes with a view to achieving efficiencies;
- Devising a new energy efficiency drive, with each academy to establish an Energy Champion;
- The New Procurement and Contracts Manager overseeing utilities, to track usage and charges;
- Comprehensive reviews of agency staffing and alternative provision, to establish more cost-effective means through which these areas can be utilised;
- Relaunch of Integrated Curriculum Financial Planning and benchmarking.

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 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements

Governance Statement (continued)

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 2023 to 31 August 2024 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:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting KPIs to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines within financial regulations;
- Identification and management of risks through academy and Trust risk registers.

The Trust has opted to deliver internal scrutiny through a bought-in audit service from RSM. Given the Trust's challenging financial circumstances, a bought-in approach would allow for effective internal scrutiny conducted by specialists in a more cost-effective manner than employing an in-house auditor. That said, during the 2024-25 academic year, the Trust will assess its financial position, both in the short and medium term, to assess whether an in-house auditor is financially viable and will also explore the viability of employing a shared resource that could work across several trusts.

Governance Statement (continued)

Review of effectiveness

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

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

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.

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.

Conclusion

Based on the advice of the audit committee and the accounting officer, the Board of Trustees is of the opinion that the academy trust has an adequate and effective framework for governance, risk management and control.

Approved by order of the members of the Board of Trustees on 10 December 2024 and signed on their behalf by:



Pat Beanland
Chair of Trustees



Derek Trimmer
Acting CEO and Accounting Officer

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 Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2023.

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

- During the year, there were isolated incidents of non-compliance with the Academy Trust's internal Financial Scheme of Delegation. There has been a tendency to over-rely on one supplier of both planned and corrective maintenance and due to the overarching contract in place with regard to planned maintenance, approval requirements were not always followed. Notice has already been given on the contract and our financial procedures have been steadfastly reinforced with staff members.
- During the year, the Academy Trust failed to comply with a component of section 2.7 of the Academy Trust Handbook 2023, namely the requirement to maintain a fixed asset register. We will be working to improve the content and format of the historical fixed asset register in 2024/25 as a matter of priority.



Derek Trimmer
Acting CEO and Accounting Officer

Date: 10 December 2024

Academy Transformation Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2024

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 2023 to 2024;
- 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 on 10 December 2024 and signed on its behalf by:



P Beanland
Chair of Trustees

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 'academy trust') for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2024 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 2023 to 2024 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 Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Academy 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 Academy 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.

Independent Auditors' Report on the financial statements to the Members of Academy Transformation Trust
(continued)

Responsibilities of trustees

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

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the Academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Academy Transformation Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Academy Transformation Trust
(continued)

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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.

Other matters

The financial statements for the year ended 31 August 2023 were audited by Bishop Fleming LLP who expressed an unmodified opinion on those financial statements on 20 December 2023.

Academy Transformation Trust
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Independent Auditors' Report on the financial statements to the Members of Academy Transformation Trust
(continued)

Use of our report

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

A handwritten signature in black ink that reads "Dains Audit Ltd." in a cursive script.

Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of

Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

10 December 2024

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 25 July 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, 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 2023 to 31 August 2024 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 20 February 2012 and the Academy Trust Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

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.

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)

Conclusion

In the course of our work, except for the matters listed below nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Matter 1 - Compliance with the Financial Scheme of Delegation

During the year, there were isolated incidents of non-compliance with the Academy Trust's internal Financial Scheme of Delegation. Anomalous purchases were committed without approval from the level of authority stipulated by the Financial Scheme of Delegation.

Matter 2 - Fixed asset register

During the year, the Academy Trust failed to comply with a component of section 2.7 of the Academy Trust Handbook 2023, namely the requirement to maintain a fixed asset register.



Dains Audit Limited

Statutory Auditor
Chartered Accountants

Date: 10 December 2024

Academy Transformation Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2024

		Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
	Note					
Income from:						
Donations and capital grants	4	2	-	4,988	4,989	4,034
Other trading activities	6	915	-	-	915	1,115
Investments	7	68	-	-	68	1
Charitable activities:						
Educational operations	5	2,478	93,765	-	96,243	85,226
Total income		3,463	93,765	4,988	102,216	90,376
Expenditure on:						
Raising funds	8	3,463	7	-	3,470	3,569
Charitable activities:						
Educational operations	9	-	92,693	3,616	96,309	87,515
Total expenditure		3,463	92,700	3,616	99,779	91,084
Net income/(expenditure)	10	-	1,065	1,372	2,437	(708)
Transfers between funds	18	-	(899)	899	-	-
Net movement in funds before other gains/(losses)		-	166	2,271	2,437	(708)
Actuarial gains on defined benefit pension schemes	26	-	2,729	-	2,729	10,677
Pension surplus not recognised	26	-	(2,151)	-	(2,151)	(2,237)
Net movement in funds		-	744	2,271	3,015	7,732
Reconciliation of funds:						
Total funds brought forward	18	-	(1,683)	128,868	127,185	119,453
Net movement in funds		-	744	2,271	3,015	7,732
Total funds carried forward	18	-	(939)	131,139	130,200	127,185

The notes on pages 38 to 72 form part of these financial statements.

Academy Transformation Trust
(A Company Limited by Guarantee)
Registered number: 07846852

Balance Sheet
As at 31 August 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	15	132,132	128,868
Current assets			
Debtors	16	4,708	3,428
Cash at bank and in hand		3,603	6,670
		8,311	10,098
Creditors: amounts falling due within one year	17	(8,321)	(8,480)
Net current (liabilities)/assets		(10)	1,618
Net assets excluding pension liability		132,122	130,486
Defined benefit pension scheme liability	26	(1,922)	(3,301)
Total net assets		130,200	127,185
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	131,139	128,868
Restricted income funds	18	983	1,618
Restricted funds excluding pension	18	132,122	130,486
Pension reserve	18	(1,922)	(3,301)
Total restricted funds	18	130,200	127,185
Total funds		130,200	127,185

The financial statements on pages 35 to 72 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

P M Beanland

P Beanland
Chair

Date: 10 December 2024

Academy Transformation Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	20	(1,245)	(993)
Cash flows from investing activities			
	22	(1,822)	(1,884)
Cash flows from financing activities			
	21	-	(3)
Change in cash and cash equivalents in the year		(3,067)	(2,880)
Cash and cash equivalents at the beginning of the year		6,670	9,550
Cash and cash equivalents at the end of the year	23, 24	3,603	6,670

The notes on pages 38 to 72 form part of these financial statements

1. General information

Academy Transformation Trust is a company limited by guarantee, incorporated in England and Wales. The registered number is 07846852 and its registered office is Emmanuel Court, Reddicroft, Sutton Coldfield, B73 6AZ. The principal activity of the company is set out in the Trustees' Report.

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 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.

2.2 Going concern

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

The level of reserves are below that which the Trust would ideally like to hold (which would be a minimum of 5% of annual income). ATT has identified areas that have caused overspends in the last two years - relating to staffing, alternative provision, energy, estates and contracts that were not value for money - and is confident steps and measures it has introduced to tackle these (such as implementing ICFP and exiting expensive contracts) will achieve financial turnaround during 2024-25 and in subsequent years.

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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

2. Accounting policies (continued)

2.4 Expenditure (continued)

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

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

2.6 Taxation

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

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

2.7 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land 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:

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Freehold property	-	2%	straight line
Leasehold property	-	2%	straight line
Furniture and equipment	-	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.

2.8 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.

2.9 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.

2.10 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 Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

2. Accounting policies (continued)

2.11 Financial instruments (continued)

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.

2.12 Operating leases

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

2.13 Pensions

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

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

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

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

2. Accounting policies (continued)

2.14 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 33 .

2.15 Fund accounting

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

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

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

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

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

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 2024. 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.

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

4. Income from donations and capital grants

	Unrestricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Donations	2	-	2
Capital grants	-	4,988	4,988
	<u>2</u>	<u>4,988</u>	<u>4,990</u>

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

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

5. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	68,968	68,968
Other DfE/ESFA grants:			
Pupil Premium	-	4,793	4,793
Universal Infant Free School Meals	-	314	314
Teachers Pay Grant	-	2,443	2,443
16-19 School Budget Share	-	2,748	2,748
Adult Education Budget	-	2,810	2,810
Teachers Pension Grant	-	1,994	1,994
Other DfE/ESFA Grants	-	2,155	2,155
	-	86,225	86,225
Other Government grants			
High Needs - SEND	-	4,503	4,503
Other government grants	-	2,070	2,070
	-	6,573	6,573
COVID-19 additional funding (DfE/ESFA)			
Recovery premium	-	967	967
	-	967	967
Other income			
Self-generated	713	-	713
Catering	1,276	-	1,276
Nurseries	489	-	489
	2,478	-	2,478
	2,478	93,765	96,243

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

5. Funding for the Academy Trust's charitable activities (continued)

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Educational Operations			
DfE/ESFA grants			
General Annual Grant (GAG)	-	63,463	63,463
Other DfE/ESFA grants:			
Pupil Premium	-	4,497	4,497
Universal Infant Free School Meals	-	304	304
16-19 School Budget Share	-	2,641	2,641
School Supplementary Grant	-	1,945	1,945
Adult Education Budget	-	1,757	1,757
Teachers Pension Grant	-	84	84
Other DfE/ESFA Grants	-	2,315	2,315
	-	77,006	77,006
Other Government grants			
High Needs - SEND	-	2,978	2,978
Other government grants	-	2,096	2,096
	-	5,074	5,074
COVID-19 additional funding (DfE/ESFA)			
Recovery premium	-	940	940
	-	940	940
Other income			
Self-generated	522	-	522
Catering	1,095	-	1,095
Nurseries	589	-	589
	2,206	-	2,206
	2,206	83,020	85,226

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

6. Income from other trading activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Lettings	299	299	259
School trips	587	587	826
Other	29	29	30
	<u>915</u>	<u>915</u>	<u>1,115</u>

7. Investment income

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Bank interest	<u>68</u>	<u>68</u>	<u>1</u>

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

8. Expenditure

	Staff Costs	Premises	Other	Total
	2024	2024	2024	2024
	£000	£000	£000	£000
Expenditure on fundraising trading activities:				
Direct costs	-	-	3,470	3,470
Educational Operations:				
Direct costs	62,051	-	6,843	68,894
Allocated support costs	9,002	13,885	4,528	27,415
	<u>71,053</u>	<u>13,885</u>	<u>14,841</u>	<u>99,779</u>
	<u><u>71,053</u></u>	<u><u>13,885</u></u>	<u><u>14,841</u></u>	<u><u>99,779</u></u>
	Staff Costs	Premises	Other	Total
	2023	2023	2023	2023
	£000	£000	£000	£000
Expenditure on fundraising trading activities:				
Direct costs	-	-	3,569	3,569
Educational Operations:				
Direct costs	56,344	-	7,560	63,904
Allocated support costs	9,140	12,024	2,447	23,611
	<u>65,484</u>	<u>12,024</u>	<u>13,576</u>	<u>91,084</u>
	<u><u>65,484</u></u>	<u><u>12,024</u></u>	<u><u>13,576</u></u>	<u><u>91,084</u></u>

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000
Educational Operations	68,894	27,415	96,309

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Educational Operations	63,904	23,611	87,515

Analysis of direct costs

	Total funds 2024 £000	Total funds 2023 £000
Pension finance costs	26	269
Staff costs	59,496	54,649
Educational supplies	1,681	1,270
Examination fees	1,143	987
Staff development	135	132
Supply teachers	2,555	1,693
Educational consultancy	2,712	2,105
Technology costs	398	882
Other direct costs	748	1,917
	68,894	63,904

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2024 £000	Total funds 2023 £000
Pension finance costs	-	180
Staff costs	8,848	9,101
Depreciation	3,616	3,183
Agency staff	155	39
Recruitment and support	305	229
Maintenance of premises and equipment	5,055	3,434
Cleaning	2,340	2,107
Rent and rates	494	555
Energy costs	2,524	2,235
Insurance	340	383
Security and transport	367	363
Catering	254	36
Technology costs	781	713
Office overheads	1,175	990
Legal and professional	370	4
PFI charges	129	147
Governance	98	88
Other support costs	564	(176)
	27,415	23,611

Academy Transformation Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2024

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024	2023
	£000	£000
Operating lease rentals	129	124
Depreciation of tangible fixed assets	3,616	3,183
Fees paid to auditors for:		
- audit	48	55
- other services	5	14
	=====	=====

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£000	£000
Wages and salaries	51,478	47,319
Social security costs	5,501	4,996
Pension costs	11,313	11,305
	=====	=====
	68,292	63,620
Agency staff costs	2,710	1,733
Severance payments	51	131
	=====	=====
	71,053	65,484
	=====	=====

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £51k (2023 - £131k). Individually, the payments were: £16k, £11k, £14k, £5k and £5k (2023 - £2k, £6k, £7k, £8k, £8k, £13k, £13k, £21k, £26k and £27k). In 2024 there were also six individuals who received a nominal £1 each in non-statutory/non-contractual severance pay.

11. **Staff (continued)**

c. Staff numbers

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

	2024	2023
	No.	No.
Teachers	825	773
Administration and support	963	961
Management	31	32
	1,819	1,766

d. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	70	40
In the band £70,001 - £80,000	18	15
In the band £80,001 - £90,000	15	8
In the band £90,001 - £100,000	3	5
In the band £100,001 - £110,000	6	3
In the band £110,001 - £120,000	2	-
In the band £120,001 - £130,000	1	1
In the band £130,001 - £140,000	1	-
In the band £150,001 - £160,000	1	1
In the band £170,001 - £180,000	1	-
In the band £210,001 - £220,000	1	-

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £2,281,669 (2023 - £1,587,401).

Notes to the Financial Statements
For the Year Ended 31 August 2024

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 August 2024, expenses totalling £2,495 were reimbursed or paid directly to 4 Trustees (2023 - £2,519 to 4 Trustees). The nature of these expenses were in relation to travel and subsistence.

13. Trustees' and Officers' insurance

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

14. Central services

The Academy 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 of CPD and training
- ICT
- Estates
- Procurement
- Finance

The Academy 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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Notes to the Financial Statements
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14. Central services (continued)

The actual amounts charged during the year were as follows:

	2024	2023
	£000	£000
Beck Row Primary Academy	90	88
Bristnall Hall Academy	517	544
Caldmore Primary Academy	165	167
Great Heath Academy	171	181
Iceni Primary & Secondary Academy	332	343
Jubilee Academy Mossley	86	93
Kingsmoor Academy	113	118
Mildenhall College Academy	591	591
North Walsall Primary Academy	88	96
Phoenix Academy	31	33
Pool Hayes Academy	522	555
The Queen Elizabeth Academy	326	333
Ravens Academy	135	147
Star Academy Sandyford	73	84
Sun Academy Bradwell	66	73
Sutton Community Academy	404	388
The Dukeries Academy	345	361
The Hathaway Academy	347	368
The Nicholas Hamond Academy	307	326
Westbourne Academy	480	503
ATT Further Education	313	274
Total	5,502	5,666

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Notes to the Financial Statements
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15. Tangible fixed assets

	Freehold property £000	Leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost or valuation							
At 1 September 2023	19,738	129,224	2,004	3,817	30	752	155,565
Additions	168	4,482	380	1,848	-	-	6,878
At 31 August 2024	<u>19,906</u>	<u>133,706</u>	<u>2,384</u>	<u>5,665</u>	<u>30</u>	<u>752</u>	<u>162,443</u>
Depreciation							
At 1 September 2023	2,786	19,236	1,048	3,600	27	-	26,697
Charge for the year	389	2,614	216	394	3	-	3,616
At 31 August 2024	<u>3,175</u>	<u>21,850</u>	<u>1,264</u>	<u>3,994</u>	<u>30</u>	<u>-</u>	<u>30,313</u>
Net book value							
At 31 August 2024	<u><u>16,731</u></u>	<u><u>111,856</u></u>	<u><u>1,120</u></u>	<u><u>1,671</u></u>	<u><u>-</u></u>	<u><u>752</u></u>	<u><u>132,130</u></u>
At 31 August 2023	<u><u>16,953</u></u>	<u><u>109,988</u></u>	<u><u>955</u></u>	<u><u>217</u></u>	<u><u>3</u></u>	<u><u>752</u></u>	<u><u>128,868</u></u>

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Notes to the Financial Statements
For the Year Ended 31 August 2024

16. Debtors

	2024	2023
	£000	£000
Trade debtors	141	414
VAT recoverable	408	721
Other debtors	1,251	39
Prepayments and accrued income	2,908	2,254
	<u>4,708</u>	<u>3,428</u>
	<u><u>4,708</u></u>	<u><u>3,428</u></u>

17. Creditors: Amounts falling due within one year

	2024	2023
	£000	£000
Trade creditors	1,687	1,774
Other taxation and social security	1,216	1,110
Other creditors	1,553	1,334
Accruals and deferred income	3,865	4,262
	<u>8,321</u>	<u>8,480</u>
	<u><u>8,321</u></u>	<u><u>8,480</u></u>

	2024	2023
	£000	£000
Deferred income at 1 September 2023	1,312	1,235
Resources deferred during the year	1,380	1,312
Amounts released from previous periods	(1,312)	(1,235)
	<u>1,380</u>	<u>1,312</u>
	<u><u>1,380</u></u>	<u><u>1,312</u></u>

At the balance sheet date the multi-academy trust was holding funds of £188k received in advance in respect of ESFA Universal Infant Free School Meals, £159k in respect of National Tutoring Programme, £507k of school trip income, £184k local authority SEND funding and £342k of other funding.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Unrestricted funds						
General Funds	-	3,463	(3,463)	-	-	-
Restricted general funds						
General Annual Grant (GAG)	1,618	68,968	(68,704)	(899)	-	983
Pupil Premium	-	4,793	(4,793)	-	-	-
16-19 School Budget Share	-	2,748	(2,748)	-	-	-
Adult Education Budget	-	2,810	(2,810)	-	-	-
Other ESFA funding	-	7,873	(7,873)	-	-	-
Local Authority SEND	-	4,503	(4,503)	-	-	-
Other government grants	-	2,070	(2,070)	-	-	-
Pension reserve	(3,301)	-	801	-	578	(1,922)
	(1,683)	93,765	(92,700)	(899)	578	(939)

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds (continued)

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Restricted fixed asset funds						
Fixed assets transferred on conversion	73,577	-	(1,826)	-	-	71,751
Fixed assets purchased from GAG and other restricted funds	828	-	(20)	899	-	1,707
DfE/ESFA Capital grants	53,961	3,663	(1,758)	-	-	55,866
Private sector capital grant	502	1,325	(12)	-	-	1,815
	128,868	4,988	(3,616)	899	-	131,139
Total Restricted funds	127,185	98,753	(96,316)	-	578	130,200
Total funds	127,185	102,216	(99,779)	-	578	130,200

18. 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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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds (continued)

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

	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	-	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 funding	480	9,986	(10,466)	-	-	-
Pension reserve	(10,598)	-	(1,143)	-	8,440	(3,301)
	(8,067)	77,946	(79,430)	(572)	8,440	(1,683)

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Notes to the Financial Statements
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18. Statement of funds (continued)

	Balance at 1 September 2022 £00C	Income £00C	Expenditure £000	Transfers in/(out) £00C	Gains/ (Losses) £00C	Balance at 31 August 2023 £000
Restricted fixed asset funds						
Fixed assets transferred on conversion	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
	<u>127,520</u>	<u>3,959</u>	<u>(3,183)</u>	<u>572</u>	<u>-</u>	<u>128,868</u>
Total Restricted funds	<u>119,453</u>	<u>81,905</u>	<u>(82,613)</u>	<u>-</u>	<u>8,440</u>	<u>127,185</u>
Total funds	<u><u>119,453</u></u>	<u><u>85,302</u></u>	<u><u>(86,010)</u></u>	<u><u>-</u></u>	<u><u>8,440</u></u>	<u><u>127,185</u></u>

Academy Transformation Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	2023
	£000	£000
Central services	983	1,618
Restricted fixed asset fund	131,139	128,868
Pension reserve	(1,922)	(3,301)
Total	130,200	127,185

The following fund is carrying a net deficit at 31 August 2024 as follows:

	Deficit
	£000
Restricted fixed asset fund	1,076

The restricted fixed asset fund has fallen into deficit after capital projects were undertaken in excess of SCA income allocations.

The Academy Trust is taking the following action to return the academy to surplus:

The restricted fixed asset fund will be replenished from the 2025/26 SCA allocations following a programme of restrained capital spend.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

18. 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 2024 £000
Beck Row Primary Academy	1,008	124	74	363	1,569
Bristnall Hall Academy	5,911	577	733	1,722	8,943
Caldmore Primary Academy	1,726	245	211	619	2,801
Great Heath Academy	2,110	144	115	605	2,974
Iceni Primary	459	51	62	189	761
Jubilee Academy Mossley	873	116	136	424	1,549
Kingsmoor Academy	1,521	115	129	532	2,297
Mildenhall College Academy	6,621	712	1,093	1,508	9,934
North Walsall Primary Academy	1,026	144	127	429	1,726
Phoenix Academy	5,523	626	590	1,622	8,361
Pool Hayes Academy	1,193	102	96	267	1,658
The Queen Elizabeth Academy	3,241	469	404	1,234	5,348
Ravens Academy	1,708	95	161	565	2,529
Star Academy Sandyford	755	58	97	331	1,241
Sun Academy Bradwell	829	68	105	331	1,333
Sutton Community Academy	4,268	651	605	1,512	7,036
The Dukeries Academy	3,615	423	703	1,515	6,256
The Hathaway Academy	3,054	466	486	1,288	5,294
The Nicholas Hammond Academy	3,104	406	407	1,119	5,036
Westbourne Academy	5,219	616	772	1,886	8,493
ATT Further Education	2,377	893	790	740	4,800
Iceni Secondary School	3,212	362	712	1,157	5,443
Central Services	1,806	2,966	81	(4,072)	781
Academy Trust	61,159	10,429	8,689	15,886	96,163

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Notes to the Financial Statements
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18. Statement of funds (continued)

Comparative information in respect of the preceding year is 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
Beck Row Primary Academy	908	103	36	297	1,344
Bristnall Hall Academy	5,489	374	108	1,380	7,351
Caldmore Primary Academy	1,578	178	31	617	2,404
Great Heath Academy	1,881	129	47	499	2,556
Iceni Primary	3,086	255	141	1,440	4,922
Jubilee Academy Mossley	794	105	20	418	1,337
Kingsmoor Academy	1,442	107	61	385	1,995
Mildenhall College Academy	5,773	488	206	1,896	8,363
North Walsall Primary Academy	1,051	113	16	385	1,565
Phoenix Academy	982	95	21	309	1,407
Pool Hayes Academy	5,067	457	165	1,436	7,125
The Queen Elizabeth Academy	2,944	366	100	1,035	4,445
Ravens Academy	1,485	107	69	513	2,174
Star Academy Sandyford	806	87	19	349	1,261
Sun Academy Bradwell	749	81	28	317	1,175
Sutton Community Academy	3,842	325	237	1,464	5,868
The Dukeries Academy	3,295	327	158	1,610	5,390
The Hathaway Academy	2,934	385	194	928	4,441
The Nicholas Hammond Academy	2,895	183	79	976	4,133
Westbourne Academy	4,460	511	360	1,573	6,904
ATT Further Education	927	1,789	156	762	3,634
Central services	2,882	2,259	5	2,961	8,107
Academy Trust	55,270	8,824	2,257	21,550	87,901

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Notes to the Financial Statements
For the Year Ended 31 August 2024

19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	132,132	132,132
Current assets	8,228	83	8,311
Creditors due within one year	(7,245)	(1,076)	(8,321)
Provisions for liabilities and charges	(1,922)	-	(1,922)
	<hr/>	<hr/>	<hr/>
Total	(939)	131,139	130,200
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Analysis of net assets between funds - prior period

	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)
	<hr/>	<hr/>	<hr/>
Total	(1,683)	128,868	127,185
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Academy Transformation Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2024

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

	2024	2023
	£000	£000
Net income/(expenditure) for the period (as per Statement of Financial Activities)	2,437	(708)
Adjustments for:		
Depreciation	3,616	3,183
Capital grants from DfE and other capital income	(4,988)	(3,959)
Interest receivable	(68)	(1)
Defined benefit pension scheme cost less contributions payable	(827)	694
Defined benefit pension scheme finance cost	26	449
Increase in debtors	(1,280)	(635)
Decrease in creditors	(161)	(16)
Net cash used in operating activities	(1,245)	(993)

21. Cash flows from financing activities

	2024	2023
	£000	£000
Repayments of borrowing	-	(3)
Net cash provided by/(used in) financing activities	-	(3)

22. Cash flows from investing activities

	2024	2023
	£000	£000
Dividends, interest and rents from investments	68	1
Purchase of tangible fixed assets	(6,878)	(5,844)
Capital grants from DfE Group	4,988	3,959
Net cash used in investing activities	(1,822)	(1,884)

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Notes to the Financial Statements
For the Year Ended 31 August 2024

23. Analysis of cash and cash equivalents

	2024	2023
	£000	£000
Cash in hand and at bank	3,603	6,670
Total cash and cash equivalents	3,603	6,670

24. Analysis of changes in net debt

	At 1		At 31 August
	September	Cash flows	2024
	2023	£000	£000
	£000		£000
Cash at bank and in hand	6,670	(3,067)	3,603

25. Capital commitments

	2024	2023
	£000	£000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	388	-

26. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by 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. All 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 £1,432,000 were payable to the schemes at 31 August 2024 (2023 - £1,170,000) and are included within creditors.

26. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies 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 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- 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 result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £8,454,000 (2023 - £6,998,000).

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>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £4,672,000 (2023 - £4,064,000), of which employer's contributions totalled £3,691,000 (2023 - £3,153,000) and employees' contributions totalled £981,000 (2023 - £911,000). 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.

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).

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	3.6	3.8
Rate of increase for pensions in payment/inflation	2.7	3.0
Discount rate for scheme liabilities	5.0	5.2

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

	2024	2023
	Years	Years
Retiring today		
Males	19.7	19.8
Females	23.9	23.9
Retiring in 20 years		
Males	21.5	22.6
Females	24.9	25.5

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Notes to the Financial Statements
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26. Pension commitments (continued)

Sensitivity analysis

	2024	2023
	£000	£000
Discount rate -0.1%	1,409	1,278
Mortality assumption - 1 year increase	2,256	2,031
CPI rate +0.1%	1,389	1,210
Salary increase +0.1%	50	93
	=====	=====

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	At 31 August	At 31 August
	2024	2023
	£000	£000
Equities	37,275	34,486
Corporate bonds	14,974	10,173
Property	5,564	5,176
Cash and other liquid assets	2,720	1,912
Other	4,909	3,886
	=====	=====
Total market value of assets	65,442	55,633

The actual return on scheme assets was £2,737,000 (2023 - £1,710,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2024	2023
	£000	£000
Current service cost	(2,827)	(3,842)
Past service cost	(37)	(5)
Interest income	3,013	2,256
Interest cost	(3,039)	(2,713)
	=====	=====
Total amount recognised in the Statement of Financial Activities	(2,890)	(4,304)

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Notes to the Financial Statements
For the Year Ended 31 August 2024

26. Pension commitments (continued)

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

	2024	As restated 2023
	£000	£000
At 1 September	59,216	62,573
Prior year restatement	-	282
Current service cost	2,827	3,842
Interest cost	3,039	2,705
Employee contributions	981	911
Actuarial losses/(gains)	8	(11,938)
Benefits paid	(895)	(1,401)
Past service costs	37	5
Surplus not recognised	2,151	2,237
	<hr/>	<hr/>
At 31 August	67,364	59,216
	<hr/> <hr/>	<hr/> <hr/>

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

	2024	As restated 2023
	£000	£000
At 1 September	55,915	51,975
Prior year restatement	-	282
Interest income	3,013	2,264
Actuarial gains/(losses)	2,737	(1,261)
Employer contributions	3,691	3,153
Employee contributions	981	911
Benefits paid	(895)	(1,401)
Admin expenses	-	(8)
	<hr/>	<hr/>
At 31 August	65,442	55,915
	<hr/> <hr/>	<hr/> <hr/>

The prior year restatement corrects the misclassification between pension assets and liabilities and presents the prior year surplus not recognised as an addition to the pension obligation. No restatement has been necessary to the overall net pension obligation presented in the prior year balance sheet.

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Notes to the Financial Statements
For the Year Ended 31 August 2024

27. Operating lease commitments

At 31 August 2024 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£000	£000
Not later than 1 year	76	88
Later than 1 year and not later than 5 years	61	73
	137	161

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

30. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2024 the Trust received £121k (2023 - £204k) and disbursed £153k (2023 - £175k) from the fund. An amount of £114k (2023 - £128k) is included in other creditors relating to undistributed funds that is repayable to ESFA.