

Ambitions Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year Ended 31 August 2020

Company Registration Number:
07977940 (England and Wales)



COMPANIES HOUSE

Ambitions Academies Trust - Year ended 31 August 2020

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Ambitions Academies Trust - Year ended 31 August 2020

Reference and Administrative Details

Members

Mr Nigel Smith
Ms Lesley Spain
Mr Alan Connell
Mr Pratap Deshpande
Mr Clive Barrow
Mrs Caroline Sard (appointed 26.03.20)
Mrs Pat Marchiori (resigned 11.02.20)

Trustees

Mrs Caroline Sard (Chair of Trustees) *
Mr Richard Smith (Vice Chair) #
Mrs Marilyn Bramford*
Mrs Pat Marchiori #
Mrs Berni Catling #
Mrs Louise Parker *
Mr Ted Taylor*
Mrs Roz Scammell#

* Membership of Finance Committee

Membership of Audit & Risk Management Committee

Company Secretary

Sherri Hawkins

Senior Management Team:

- | | |
|--|---|
| • Chief Executive Officer and Accounting Officer | Sian Thomas |
| • Director of Primary Education | Alex Prout |
| • Director of Secondary Education | Jon Webb |
| • Director of Special Education | Nicki Morton |
| • Director of Outcomes | Paul Holman |
| • Business Director | Sherri Hawkins |
| • Finance Director/Chief Financial Officer | Andy Connell - Interim Finance Director |
| • Estates Director | Ian Hawkins |

Company Name

Ambitions Academies Trust

Principal and Registered Office

Manorside Academy
Evering Avenue
Parkstone
Poole
BH12 4JG

Company Registration Number

07977940 (England and Wales)

Ambitions Academies Trust - Year ended 31 August 2020

Reference and Administrative Details *(continued)*

Auditors

Filer Knapper LLP
Chartered Accountants and Statutory Auditor
10 Bridge Street
Christchurch
Dorset
BH23 1EF

Bankers

Lloyds Bank Plc
PO Box 1000
Andover
BX1 1LT

Solicitors

Michelmores LLP
Woodwater House
Pynes Hill
Exeter
EX2 5WR

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report

The Trustees present their annual report together with the Financial Statements and Auditor's Report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Academy Trust operates 6 primary, 4 secondary, 1 studio school and 2 special academies over 15 sites within Bournemouth, Poole and Weymouth. It has a combined roll of just over 5,800 students. The Trust also operates Ambitions Teaching School and Ambers Group Limited, a trading subsidiary that is controlled by the Trust. Ambers Group Limited runs wrap around care for each of our primary schools along with 3 Nurseries at King's Park, Manorside and Elm. Ambers ran 1 holiday camp at Oak and also runs the lettings across Oak and LeAF Academies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a private company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Ambitions Academies Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Ambitions Academies Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

In accordance with normal practice, the Trust insures its Trustees and Academy Advisory Committee Members against errors, negligent acts or omissions relating to their work for the Trust, with no limit on any single claim.

Method of Recruitment and Appointment or Election of Trustees

The Trust has eight Trustees. Trustees are appointed to serve a term of office of four years. New Trustees are appointed/reappointed by the Members or the Trust Board as set out in the Trust's Articles of Association.

The Trust Board is responsible for recruiting Trustees. The Trust Board has undertaken a skills and requirements review to identify the skills needed to recruit and appoint to the Board. The Trustees will interview applicants to ensure they meet the specified criteria for the vacant positions and for future succession planning. Applicants that the Trust Board wish to appoint will be presented to the Members for approval.

The standard model of local school governance is the Academy Advisory Committees (AAC). The Trust also operates a 'high support' model of local governance. These Academy Priority Support Committees (ASPC) are led and chaired by the Trust's Director of Outcomes. An ASPC will transition to the AAC model following the period of high support. Members are appointed to the Academy committees as required to support the Academies.

The Board of Trustees is responsible for the appointment of the Academy Committee Members.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Policies and Procedures Adopted for the Induction and Training of Trustees

A supportive and comprehensive induction process to the governance of the Trust is in place.

There is a standard induction programme so that new Trustees very quickly become familiar with the structure of the Trust. There is a clear Scheme of Delegation and Terms of Reference for the full Board and each Committee. All Trustees operate within the governance code of conduct. Further training and ongoing support is provided to each Trustee to enable them to fulfil their specific role on the Board.

The induction of the Academy Committee Members is undertaken by the Academy working closely with the Trust Clerk to ensure consistency across the Trust.

Organisational Structure

For the period of these Financial Statements, the Trust's decisions are taken on behalf of all Academies by the Board of Trustees, in respect of governance, financial control and procedure, and staffing structure.

Principals, under the guidance of Directors of Education and Academy Committees, lead individual Academies, making decisions on the direction of teaching and learning and achievement.

The CEO is the Accounting Officer of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Arrangements for setting the pay and remuneration of the Trust's key management personnel are approved by the Trust Board's Personnel Committee. The Trust's teachers' pay policy is based on the national agreed pay scale as outlined in the School Teachers Pay and Conditions Document. The Trust adheres to Local Government pay arrangements for support staff and follows the Local Government pay spine.

Pay and remuneration for all personnel except the Chief Executive Officer is set by the Personnel Committee, which is a sub-committee of the Trustees. The Chief Executive Officer's pay and remuneration is set by an annual committee held solely for the appraisal and setting of pay and remuneration of the Chief Executive Officer.

Trade Union Facility Time

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
11	9.78

Percentage of time spent of facility time

Percentage of time	Number of employees
0%	8
1%-50%	3
51%-99%	
100%	

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£1,227.20
Provide the total pay bill	£30,694,769
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.004%

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours, calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	14.81%
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Related Parties and other Connected Charities and Organisations

The Trust seeks to avoid related party transactions. In this period there are no related parties with which the Trust has transacted with, with the exception of Ambers Group Limited (the trading subsidiary) which began trading in September 2017 and has been consolidated within these Financial Statements.

Engagement with employees

The Trust believes in supporting, developing and working with its staff in order to meet the high expectations of the organisation. To achieve this the Trust:

- Continues to develop a Joint Negotiation and Consultation Committee consisting of members of the Trust and Unions. The purpose of this Committee is to review key policies and discuss issues which affect the staff looking at ways that both the Trust and the Unions can provide support. Full Committee meetings take place at least termly with sub-committees also meeting termly.
- Works with Unions in situations involving redundancy, re-structures, disciplinary matters, grievance, etc. and to ensure procedures are fair and equitable with relevant support being provided.
- Carries out staff surveys and share the results with staff. Actions identified from the survey are then implemented.
- Has set up a Wellbeing Forum consisting of members of staff (known as the Wellbeing Champions) from each of the Academies. This group meets termly to discuss factors relating to staff, feedback on wellbeing issues which have been identified in the Academies, promote wellbeing through noticeboards which are regularly updated, formulating a wellbeing policy based on the "5 Steps to Wellbeing" while reviewing the impact of Covid-19. Staff are able to seek support from the Wellbeing Champions in situations where they would not wish to approach their line manager.

Throughout Covid-19:

- the CEO has provided half termly letters to staff thanking them for their hard work and providing updates;
- Directors and Principals have worked together to ensure staff are supported with new ways of working and the challenges they face;
- we have provided flexible working conditions where possible;
- we have had regard to the financial implications for staff who were on furlough, with family in isolation, etc.
- we have held frequent Covid-19 meetings to review government guidance and impact on the organisation.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Engagement with suppliers

AAT uses supplier engagement to enhance relationships between the Trust and its suppliers focusing on people rather than systems and processes (the non-human elements). The Trust uses understanding and empathy and how these feelings impact motivation to nurture best value relationships, looking at the short-term needs rather than the volume of supply. Where both factors are prevalent, they are considered as part of supplier engagement. The Trust also uses supplier relationship management as an important tool, particularly when determining the best strategical partnerships to create and nurture. The use of supplier engagement is focused on driving better motivation and engagement with suppliers.

During the year the Trust has used this approach to effect principal decisions. In particular this can be seen across the Estates department and their work with our supplies for cleaning, grounds maintenance, intruder fire alarms systems maintenance and monitoring. It was also a factor in deciding to continue with the catering suppliers at All Saints and King's Park Academy. When ensuring best value for money is obtained, it is vital to take all aspects of 'Value' into consideration and our engagement with suppliers ensures we are looking at the human factors when making decisions.

Objectives and Activities

Objects and Aims

The Ambitions Academies Trust's objectives are set out in the Articles of Association. In summary it is to improve the level of education provision in Bournemouth and Poole whether directly through our own Academies or indirectly through working with other education providers in the region.

The aim of the Trust is to operate as a group of collaborating Academies for the benefit of young people. Academies are geographically close which offers the Trust the opportunity to develop a common ethos, share best practice and combine resources. Ambitions Academies Trust exists to provide outstanding education for pupils and young people, improving the life chances of all pupils and young people across the Trust. The Trust provides an outstanding education across all sectors, early years, primary, secondary and special, ensuring that pupils and young people are given a broad and balanced education which prepares them well for success in their future lives. The Trust provides strong challenge and support to Academies and ensures they deliver success for all.

Professional development, challenge and support are at the heart of ensuring that staff are some of the finest teachers so they can deliver outstanding teaching. The mainstream and special classes benefit greatly from working collaboratively across the Trust. Ambitions Academies Trust has been appointed as a Teaching School since 2014 which has enabled us to build on our successful outreach and teacher training work. This now enables us to provide extensive support to many schools and Academies across Dorset.

Objectives, Strategies and Activities

The aims of the Trust during the year ended 31 August 2020 are summarised below:

A Trust governance review in February 2019 led to the Trustees undertaking a strategic review which included reassessing the Trust vision, values and mission statement and clarifying the future direction.

Vision and Values

- Outstanding Achievement for all underpinned by inclusivity, integrity, openness and honesty.

Mission Statement

- To ensure each pupil reaches their potential by securing outstanding achievement, high standards of social skills and improved life chances.
- To raise standards of teaching and learning by ensuring strong, effective governance and outstanding leadership at all levels.
- To achieve outstanding outcomes throughout the Trust through the efficient use of public funding and assets.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Objectives and Activities *(continued)*

Objectives, Strategies and Activities *(continued)*

A Strategic Plan, initially for 2019-21, was developed and agreed and sets the Trust's strategic objectives as below:

1. To provide a broad, balanced and enriching curriculum that meets every pupil's needs enabling and empowering all children to develop and make ambitious progress and become well prepared for adulthood.
2. Quality staff recruitment, ongoing training and deployment to develop our people.
3. Efficient and effective management of finance, IT, resources and estates.
4. Strategic development of Ambers Group and evaluation of all commercial opportunities.
5. To ensure there is a culture of inclusivity where physical and emotional wellbeing is championed.

Under the leadership of the CEO the executive team is responsible for implementing the strategic plan across all sectors of the organisation.

- Chair of Trustees holds regular strategic planning meetings with the CEO to discuss progress towards these strategic objectives. Additionally, the Trust Board meets twice per year to review progress towards these objectives and reassess the strategic direction.

Business:

- Review of staff contracts to reflect new legislation/guidance.
- Identified and managed the move to a new payroll provider.
- Covid-19:
 - Ensured staff risk assessments were in place for staff who were vulnerable, extremely vulnerable or pregnant in line with government guidelines.
 - Provided guidance on working from home.
 - Advised on safe working practices in school in line with government guidelines.
 - Monitored sickness absence and Covid-19 related sickness absences.
- Wellbeing forum - worked with the Wellbeing Champions in supporting staff across the Trust.

Estates

- Covid-19 - Produced a generic risk assessment for the Trust, attended all sites to produce bespoke risk assessments and continually amending to suit government guidelines and changing circumstances
- St Aldhelm's - Project managed the installation of two specialist classrooms and six general classrooms, plus teacher work room and office space within a fixed time frame and budget.
- Oak - Project managed the installation of a drama block and associated classrooms and changing rooms within a fixed time frame and budget.
- All Saints/Wey Valley/Kinson continued to install solar arrays across all suitable buildings.
- Continued to ensure low cost lighting in suitable Academies across the Trust.
- Ongoing development of the Preventative Maintenance Programme and ensuring all high-risk areas are mitigated.

Finance

- Provided continuity of service during Covid-19 pandemic.
- Embed new finance system.
- Introduced BACS across the Trust - BACS are introduced to Trust Offices and launched the rest of the Trust.
- Embed two new Weymouth schools and their finance teams.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Objectives and Activities *(continued)*

Public Benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit. This has been taken into account when reviewing the charitable company's objective and aims and in planning and operating the Trust for the period. The Trustees consider that the Nolan Principles and charitable company's aims are demonstrably to the benefit of the public.

The key public benefit delivered by the Trust is the maintenance and development of high-quality education to the young people of the communities the Academies serve. The Academies that the Trust operates are generally in deprived areas.

Through the teaching school, the Trust runs a number of courses throughout the year. It also runs NQT conferences. The teaching school runs the ITT for the Trust, a very successful model which not only provides excellent training, but also allows Principals a gateway to recruit new staff year on year.

Strategic Report

Educational Achievements and Performance - Key Performance Indicators

In 2019-20 Ambitions Academies Trust were relentless in their pursuit of the best learning opportunities for all the young people it serves. The Covid-19 pandemic brought about a challenge of such magnitude it resulted in our schools and nurseries having to respond to a national crisis that meant the vast majority of pupils completing their learning at home. The move from in-school to remote learning was undertaken in a matter of days. AAT are proud of what was achieved during the temporary closure of schools. All schools remained open to key worker families, p

upils with EHCPs and vulnerable pupils. As the re-opening widened in June, AAT welcomed back year groups across primary and secondary. In addition to providing a full remote learning package, Trust leaders and their staff also worked tirelessly to support the ever-increasing needs that were being presented to them at this unprecedented time.

As a result of an IT infrastructure refresh programme over the previous 18 months, the Trust was in a good place to support new methods of required communication. Windows 10 operating system and Office 2019 software suite is now standard across all 15 sites. This enabled the deployment of Microsoft Teams across the Trust which provided consistent communication during the lockdown and beyond from Trustee meetings to classroom delivery. At a school level this meant that all secondary schools were able to provide digital remote learning as part of a blended learning package for their students. As a result of a DfE funding application, primary and special schools continue to develop their digital learning platforms in readiness for any future lockdown situations.

All schools received an allocation of DfE laptops for disadvantaged students and these were deployed appropriately during the summer term to support remote learning.

Staff at all levels have been provided with training opportunities to ensure they can use software appropriately. In addition, a staff development team across the three education sectors has provided an opportunity for the swift sharing of teaching and learning good practice as supportive technology continues to develop at a pace.

With the cancellation of all end of key stage assessments/examinations this year there are no national validated educational outcome comparators. Internally schools across all sectors continue to collect relevant assessment data to enable appropriate strategies and curriculum planning to be implemented with particular reference to any gaps in student knowledge as a result of the Covid-19 pandemic.

The Trustees support and challenge programme continues to provide challenge for each sector, utilising the trust dashboard for both AAT and national comparisons where available.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Educational Achievements and Performance - Key Performance Indicators

Across all the Academies the student attendance on-site and the engagement of learning off-site was constantly reviewed. There was a mixture of learning tasks set across our schools which included: paper-based tasks, on-line platforms, live lessons and tasks set through Microsoft teams. It was important to keep our communities close during the period of lockdown, in order to do this, there were an inordinate amount of home visits and phone calls made each day. It was also essential to gauge the well-being of staff and pupils, for many it was an isolating time so schools were very creative in how they brought their communities together. There were also on-line surveys completed to gather vital information as to how people were feeling. The results of the surveys were analysed and acted upon.

One of the biggest tasks completed was the writing and implementing of risk assessments; education and estate leaders did an extraordinary job in compiling risk assessments that would essentially minimise all foreseeable risks associated with the virus. Many hours were spent on this task. Once written they were reviewed by the Trust executive team and the Trustees. AAT is proud of how the staff and trustees worked together to ensure that every risk was considered and appropriate measures were put in place. The work completed by Principals and their teams in sharing risk assessments and the new ways of working to enable all pupils to return in September was a mammoth task, but the hours of time involved certainly paid off when the pupils re-entered their schools in September.

Throughout the year the Trust continued all the activities linked to their accountability programme; it was important that the Trust kept up to date with the key information relating to the core business as laid down in the funding agreements and Articles of Association. This required many hours of on-line meetings sharing, reviewing and analysing the evidence brought to the table across education, business, estates and finance. Ensuring the scheme of delegation and the strategic plan were implemented throughout the period was key to the Trust fulfilling its vision and values.

Whilst Ofsted visits have been limited this academic year, Longspee Academy was visited on 2 March 2020 just before lockdown and retained its Outstanding Ofsted judgment.

The vast majority of our Academies maintain good or outstanding Ofsted judgements.

Sector	Academy	Current Ofsted Judgement
Primary	BA	N/A due to transfer
	EA	Outstanding
	KA	N/A due to transfer
	KPA	Good
	MA	Outstanding
	QPA	Outstanding
Secondary Sector	ASCoEA	N/A due to transfer
	LS	Good
	OA	Requires Improvement
	SAA	Good
	WVA	N/A due to transfer
Special	LA	Outstanding
	TA	Outstanding

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Key Performance Indicators

The key financial performance indicators during the year were as follows:

Key Financial Performance Indicator 2019-20		Ambitions Academies Trust	Primary Academies	Secondary Academies	Special Academies
Year End Reserves: (excluding long term liabilities)	Target	8-12%	8-12%	8-12%	8-12%
	Actual	10%	47%	(18%)	16%
Number of months' reserves:		1.2	5.6	(2.1)	1.9
Direct Staff cost as % of Income:	Target	60-70%	60-70%	60-70%	60-70%
	Actual	67%	71%	67%	59%
Total Staff cost as % of Income:	Target	70-75%	70-75%	70-75%	70-75%
	Actual	77%	83%	72%	76%

The Trust's year end reserves have improved across all sectors during 2019-20. Both Primary and Special sectors hold reserves in excess of the KPI. The Secondaries have reduced their reserve deficit from -39% to -18%. The Trust as a whole has 10% reserves which is within our KPI target.

The Trust's direct staff costs as a % of income have risen from 61% in 2018-19 to 67% in 2019-20. There has been an increase across all sectors in 2019-20. This increase in % has been attributed to lower indirect costs as opposed to an actual increase in direct expenditure. The Trusts direct staff costs as a whole are within the KPI the Trust has set.

The Trust's total staff costs as % of income has reduced from 80% in 2018-19 to 77% in 2019-20. This reduction has been attributed to lower indirect staff costs related to the Trust's response to Covid-19. While this is an improvement on the previous year, the special and primary sectors are slightly high when reflecting the KPIs. The Trust as a whole is 2% above the KPI target range.

Going Concern

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

In order to maintain the financial stability of the Trust, the budget monitoring process has been reviewed and adjusted, cashflow is monitored on a daily basis and each site forecasts monthly and this is reviewed thoroughly by the Executive team and Board through the monthly management account meetings.

The Trustees recognise that St Aldhelm's Academy has significant legacy issues dating back to December 2012, resulting in a current deficit of £3,592,627, of which £500,000 represents cash drawn down from the Education and Skills Funding Agency (ESFA), as per the Financial Notice to Improve issued (FNTI) in April 2012. The Trust continues to work closely with the ESFA on its financial recovery plan, with quarterly reviews and detailed financial submissions to both the ESFA and Trustees. When St Aldhelm's Academy joined the Trust the FNTI was removed.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Promoting the success of the Company

The Board of Trustees understand they must fully consider the wide reaching and the long-term impacts that the Board's decisions will have on employees, suppliers, customers, and the surrounding community and environment. The Board seek to embed a culture which pursues success for the stakeholders through the Trust's actions. When determining the Trust's strategy, the Board must place due importance on the duty of promoting the success of the company and not become blinded by the immediate issues, but instead take a step back and consider the longer-term vision. The Board discharges this duty with effective training and induction processes when new Trustees join the Board.

It is important that the Board receives and has access to timely relevant information to make informed decisions and they will consider if they have sufficient information regarding all stakeholders' interests that may be affected prior to making decisions. Where all the information is not available the Board will use the expertise available to them within the Trust to support the decision making. The Board understand that every stakeholder is indirectly an asset and that promoting a culture that considers the interests of all stakeholders is of benefit to the Trust.

Financial Review

In the main, the Trust's income comes from the Education and Skills Funding Agency (ESFA). The income comes in the form of recurrent grants for specific purposes. These grants and the associated expenditure are shown as restricted funds in the consolidated Statement of Financial Activities. The Trust also receives specific grants and a high level of non-recurrent income for special educational needs provision from Local Authorities.

The Trust also received recurrent grants for fixed assets from the ESFA. These grants are shown in the consolidated Statement of Financial Activities as restricted income and represented in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets.

The deficit attributable to St Aldhelm's Academy is largely covered by an agreed repayment programme with the ESFA, covering £500,000 of the £3,592,627 deficit. The Trust accounts for the ESFA loan as a concessionary loan. The remaining loan of £500,000 is interest free. Concessionary loans are made to a public benefit entity at below market interest rates to advance the charitable purposes of the charity to which it is made and are not for commercial purposes. The loan is recognised on initial measurement at the amount advanced and subsequently at the balance due. The Trust expects St Aldhelm's Academy to make an in-year surplus from September 2020. All expenditure in the period was used for direct provision of education to our pupils and for the support services necessary to enable this provision.

At 31 August 2020 the net book value of fixed assets was £85,402,158 (2019 - £85,964,445). These assets were used exclusively for providing education to the Trust's pupils and related support services.

The trading subsidiary company, Ambers Group Limited, operates 3 nurseries at King's Park, Manorside and Elm, along with operating wrap around care including breakfast, afterschool and holiday clubs across the primary Academies of the Trust. The facilities based at Oak and LeAF Studio are also let out to third parties. The year end reserves were £582.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Reserves Policy

The Trust held a balance as at 31 August 2020, including St Aldhelm's Academy's deficit, of £58,168,464 (2019 - £63,725,993), comprising of a surplus of £2,216,613 (2019 - deficit of £467,539) of restricted funds, a pension reserve deficit of £32,965,000 (2019 - £24,750,000), fixed asset reserves of £87,070,690 (2019 - £87,194,089) and unrestricted reserves of £1,846,161 (2019 - £1,749,443).

Total revenue reserves, which exclude the fixed asset fund of £87,070,690 (2019 - £87,194,089) and the pension reserve deficit of £32,965,000 (2019 - £24,750,000), as at 31 August 2020 were a surplus of £4,062,774 (2019 - £1,281,904), again including St Aldhelm's Academy's legacy deficit. Excluding St Aldhelm's Academy's legacy deficit, total revenue reserves were a surplus of £7,655,401 (2019 - £5,015,385). The fixed asset fund includes capital grants of £1,668,532 (2019 - £1,229,604) for ongoing projects.

The Trust aims to hold between 8% and 12% of total revenue income in reserves. Currently the reserves held are 10%, an increase of 6% upon the prior year. This increase has been driven by the greater economies of scale now there are 13 academies within the Trust and the Trusts ability to mitigate the adverse financial impact of Covid- 19.

The pension reserve currently is in a deficit of £32,965,000 (2019 - £24,750,000). Whilst this is a significant deficit that impacts on the total reserves of the Trust, this does not mean that there is an immediate liability for this value. The impact on this value will be a potential increase in the pension contribution that is made to the LGPS. The Trust attempts to limit the potential future impact on the budgets by reviewing various scenarios during the budget setting process.

The Trustees consider that the underlying reserves levels, excluding the long term liabilities of St Aldhelm's Academy and the cash reserves across the Academies, are sufficient for the working capital and operational needs of the Trust, based on historic levels of activity. The reserves meet our need for ongoing investment in our properties. Given the current expansion of the Trust, these requirements are not fixed. The Trustees will keep the level of reserves under review.

Investment Policy

For the period covered by these Financial Statements, all cash balances have been held in current accounts in UK banks. Where the balance permits, the Trust intends to hold any surplus cash in low risk high interest deposit accounts using the services of a bank which specialises in charity clients.

Principal Risks and Uncertainties

The Trustees have assessed, through a Risk Register and through the robust scrutiny and challenge of the Audit and Risk Management Committee, the major risks to which the Trust are exposed. In particular, assessment has been made of the risks relating to specific teaching, provision of facilities and other operational areas of the Trust and its finances. Risks are assessed through a number of systems, and procedures are implemented to mitigate these risks. Some of these mitigating procedures include internal financial controls, trend and sensitivity analysis, vetting of new staff, health and safety policies and data protection procedures. The Trust has ensured that adequate insurance cover is in place to mitigate risk through membership of the ESFA's Risk Pooling Arrangement.

The principal risks have been identified as:

Reputational - the continued success of attracting sufficient numbers of pupils to the Academies by maintaining and improving educational standards.

Government funding - the Trust has considerable reliance on the continued government funding through the ESFA/ DfE and there is no assurance that government policy or practice will remain the same and funding will remain at the same levels or on the same basis.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Principal Risks and Uncertainties *(continued)*

Staffing - the ability to retain, recruit and train quality staff and leaders by ensuring continual personal development and clear succession planning.

Safety, safeguarding and regulations - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Buildings and Facilities - ensuring the estate under the control of the Trust remains safe, secure and compliant.

Pension Liability - this may fluctuate over time based on economic and Local Authority investment policy. This is a long term liability where it is hoped that it will reduce in the future by employer contributions and additional lump sum payments.

In respect of St Aldhelm's Academy's financial recovery, the Trustees have implemented an ongoing process of monitoring through the Finance and Resource Committee to quantify and mitigate the risks. St Aldhelm's Academy is now producing strong financial improvement. Pupil numbers have risen steadily throughout the period with new pupils joining in every year group and this is projected to continue for the medium term. The specialist leadership team recruited to the Academy is having a transformative impact on the quality of teaching and learning and pupil outcomes, validated by the Ofsted rating of Good.

Streamlined Energy and Carbon Reporting (SECR)

UK energy use and associated greenhouse gas emissions

The Ambitions Academy Trust is pleased to report its current UK based annual energy usage and associated annual greenhouse gas emissions pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force on 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only, for all assets that come under an operational control boundary. This includes all 13 schools controlled during the reporting period along with a minibus fleet.

Reporting period

The annual reporting period is 1 September to 31 August each year, and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2020 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The majority of the electricity, natural gas and minibus consumption was compiled from meter readings and mileage records. Solar Photovoltaic generation data was estimated based on the size of system and the yearly production of circa 1,130kWh/kWp installed. It is assumed that all of the electricity generated is used on site. Where energy data was not available, the data has been estimated from the most recent display energy certificate provided.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 regulations, then further divided into the combustion of fuels and the operation of facilities (scope 1), purchased electricity (scope 2) and in-direct emissions that occur as a consequence of company activities (scope 3).

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Streamlined Energy and Carbon Reporting (SECR) *(continued)*

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2019/20
Mandatory energy:	
Gas	4,001,220
Purchased electricity from the grid	2,017,335
Transport mileage	77,640
Total mandatory energy	6,096,195
Voluntary energy:	
Consumed electricity from on-site renewable sources	701,154
Total voluntary energy	701,154
Total mandatory & voluntary energy	6,797,349

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2019/20
Mandatory emissions:	
<u>Scope 1</u>	
Natural gas	735.7
Transport - Company owned vehicles (mini-buses)	19.8
<u>Scope 2</u>	
Purchased electricity (location-based)	470.3
<u>Scope 3</u>	
N/A	0.0
Total gross mandatory emissions	1,225.8
<u>Intensity ratios (mandatory emissions only)</u>	
Tonnes of CO ₂ e per pupil	0.212

Intensity ratio

The intensity ratio is the total gross emissions in metric tonnes CO₂e (mandatory emissions) per pupil, which is the recommended ratio for the sector for consistency and comparability. Pupil numbers are based on the Autumn 2019 Census.

Ambitions Academies Trust - Year ended 31 August 2020

Trustees' Report *(continued)*

Strategic Report *(continued)*

Streamlined Energy and Carbon Reporting (SECR) *(continued)*

Energy efficiency action during current financial year

It is worth noting that energy consumption is expected to be below typical this year, due to the reduced occupancy across all sites, following Covid-19 restrictions from 23 March 2020. Despite this temporary reduction in energy use, the Trust is committed to reducing longer term emissions and this year has seen the implementation of some energy efficiency measures, such as the continuation of LED lighting improvements across the Trust. In previous years, the Trust has installed solar PV panels across all sites.

Plans for Future Periods

Following on from the Trust governance review the Trustees have undertaken a strategic review and have worked with the Executive team to revisit the Trust vision and values and mission statement.

A Strategic Plan, initially for the next two years, has been established and agreed and set the Trust priorities as below:

1. To provide a broad, balanced and enriching curriculum that meets every pupils' needs, enabling and empowering all children to develop and make ambitious progress and become well prepared for adulthood.
2. Quality staff recruitment, ongoing training and deployment to develop our people.
3. Efficient and effective management of finance, IT, resources and estates.
4. Strategic development of Ambers Group and evaluation of all commercial opportunities.
5. To ensure there is a culture of inclusivity where physical and emotional wellbeing is championed.

Employment of Disabled People

Ambitions Academies Trust's recruitment policy ensures that no candidate is discriminated against or unfairly treated because of a protected characteristic. Practical steps are taken to ensure reasonable adjustments are made at each stage of the recruitment process to allow disabled candidates to pursue a job vacancy and anonymous equality and diversity information is collected during the application process to ensure Ambitions Academy Trust's ability to monitor and improve its processes.

For staff members who become disabled during their employment with Ambitions Academies Trust, consideration is given to reasonable adjustments which will help to retain staff members whilst meeting the needs of the organisation in delivering its service.

Employment Involvement

Ambitions Academies Trust works positively with Unions in all matters concerning its employees from joint consultation in relation to policy development, TUPE processes, disciplinary and grievance situations, issues relating to attendance at work and other employee relationship matters.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 14/12/2020 and signed on the Board's behalf by:


.....

Mrs C Sard

Chair of Trustees

Date: 14/12/2020

Ambitions Academies Trust - Year ended 31 August 2020

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Ambitions Academies 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 11 times during the year. This includes extraordinary meetings that were added to the schedule due to the Covid-19 pandemic. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Sard (Chair of Trustees)	10	11
Mr R Smith (Vice Chair of Trustees)	9	11
Mrs M Bramford	10	11
Mrs P Marchiori	6	11
Mrs L Parker	11	11
Mrs B Catling	9	11
Mr T Taylor	7	11
Mrs R Scammel	8	11

Following the external governance review in February 2019 the Trustees completed a strategic review. This has focused on the vision of the Trust and has led to the creation of a 2-year strategic plan incorporating all sectors of Trust business.

Initial work in the remainder of 2019-20 included the following:

- Publishing a Strategic Plan for the Trust clearly stating the Trust vision, mission and objectives to support and direct the ongoing success of the Trust.
- Improving communication between the Trustees and the Academy Advisory Committees.
- Further developing the role of Clerk to lead on governance support and challenge.
- Reviewing and refining key documentation - Scheme of Delegation, Academy Committee Terms of Reference, Governance Application Form and Induction Process.

Ambitions Academies Trust - Year ended 31 August 2020

Governance Statement *(continued)*

Governance *(continued)*

Despite the complications brought by the Covid-19 pandemic, further progress has been made in developing robust governance.

All usual business was carried out as required throughout the Covid-19 period using remote digital technology. In addition, extraordinary meetings were held regularly to scrutinise and approve where appropriate all individual Academy risk assessments as a result of changes in DfE Covid-19 directives.

Following the external governance review the Trustees reflected on the committee structure and composition, with particular respect to holding the Educational Directors and each Academy to account.

A support and challenge cycle for the Trustees is now in place. This includes termly meetings for each Committee Chair to meet with the Trust's Directors.

The trust wide dashboard continues to provide an information overview for Trustees for support and challenge activities.

The Chair of the Educational Strategy and Outcomes Committee meets each sector director to review outcomes and ensure school improvement plans are fit for purpose. Link Trustees for the Academies in that sector are also invited to attend the support and challenge meetings. The reports are reviewed each term at the Educational Strategy and Outcomes Committee meeting.

A Link Trustee is in place for each Academy. There are terms of reference of the expectations of a linked Trustee that include attending Academy Committee meetings at least once a year and reviewing all the minutes of all other meetings.

The Trust Board is accountable to the Members. Members provide challenge and direction to the Trustees on a regular basis. Following a recommendation from the external governance review a link Trustee to the Members has been established. The Chair of Trustees provides this link and is now an appointed Member.

In addition to Full Trust Board meetings, all Trustees meet twice per year to review the strategic plan and progress towards objectives.

The Trustees undertake an annual self-evaluation of governance. The results of this are linked to the annual 'Holding the Trust Board to Account' report that is presented to the Members.

The Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor the Trust's finances over the year, including projected and actual levels of funding and review budgets. The Finance Committee is required to report back to the Board of Trustees and make recommendations as required for the Trustees' approval.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs L Parker (Committee Chair)	6	6
Mrs M Bramford	6	6
Mr T Taylor	2	6
Mrs C Sard	5	6

Ambitions Academies Trust - Year ended 31 August 2020

Governance Statement *(continued)*

Governance *(continued)*

The Audit and Risk Management Committee is a sub-committee of the main Board of Trustees. Its main purpose is to review the effectiveness of financial controls and risk management, and also to appoint and oversee the work of the internal and external auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Smith (Committee Chair)	3	3
Mrs P Marchiori	0	3
Ms R Scammell	2	3
Mrs B Catling	3	3

Recruitment programme for Academy Advisory Committees in place to ensure a full complement of members and challenge appropriately and ensure that meetings are quorate.

Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year. The Trust prides itself on ensuring that value for money is achieved across all areas of the Trust. This can be evaluated through analysis of a variety of contracts that the Trust enters into, including - grounds maintenance, photocopiers, IT support, MIS systems. It is relentless in its pursuit of excellence so an important aspect of assessing value for money is linked to the outcomes provided by the various contracts. The Trust has a robust Preventative Maintenance Plan (PMP), all contracts entered with regards to the compliance and maintenance of the estates are also considered alongside a value for money evaluation.

Education Reviews

On a termly basis each Academy's performance is reviewed. This is through the Academy Termly Accountability Review or the Academy Priority Support Committee. These are chaired by the Director of Outcomes and attended by the CEO, Sector Director of Education and the Academy Principal. These reviews ensure that the work and outcomes in each sector are aligned to the strategic vision of the Trust.

Trust Forums

Trust wide forums for safeguarding and SEND are now well established and provide key information and systems practice to all staff and governance across the Trust. Educational focused Trust Forums continue to be developed and embedded across the three sectors. These forums are key in providing staff professional development and ensuring all Academies are implementing best practice. We believe that collaboration between these teams is the key driving force in establishing effective working practices across the Trust.

Financial Effectiveness

The Trust has also used central procurement and economies of scale to make the best use of resources in respect of areas such as HR support, IT provision, telephony, and broadband throughout the year. For capital projects and general expenditure, the Trust aims to make the best use of local suppliers where appropriate, supporting small and medium-sized local businesses while securing the best value for money.

Ambitions Academies Trust - Year ended 31 August 2020

Governance Statement *(continued)*

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This has been achieved by commissioning an external review of internal controls. The system of internal control has been in place in Ambitions Academies Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and Financial Statements.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal Auditor. However, the Trustees have appointed Filer Knapper, the external Auditor, to perform additional checks.

Under the FRC ethical standard for auditors, the Trust understands that moving forward we are no longer permitted to use the same accounting firm to provide our internal and external audit function. The Trust was in the process of tendering the audit function in the spring term 2020, but due to Covid-19 this process was suspended. The Trust will re-start this process in January 2021 to identify both internal and external auditors that are separate from one another.

The internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The checks carried out in the current period were:

- Fixed assets
- Treatment and review of VAT

The Board also engaged a VAT review on the Trust's and Ambers treatment of VAT. This review was also to provide advice on the relationship between the Trust and Ambers. The review was carried out by HWB accountants.

Ambitions Academies Trust - Year ended 31 August 2020

Governance Statement *(continued)*

The Risk and Control Framework *(continued)*

The Audit and Risk Committee determine the schedule of work to be carried out throughout the year by Filer Knapper. The auditor reports to the Board after the report has been completed. Due to Covid-19 only one internal control report was completed over the year, the Board would normally expect to have 3 internal control reports over the course of the year. The internal review of the nominal ledger has been delayed to the 2020-21 financial year due to ongoing work implementing the new finance system and the impact of Covid-19. Overall; no material control issues were found.

In addition to the review performed by Filer Knapper, the Chairs of the Finance, Audit and Personnel Committees have regular support and challenge meetings with the Business Director and Finance Director to review the systems in place in the relevant area. The outcomes are then reported at the next committee meeting.

On a yearly basis the Trust will be preparing an Annual Internal Scrutiny review. This is reported to the Board through the Audit Committee. Its scope is to report on the operational systems of control and on the discharge of the Board's financial responsibilities. This is done annually by producing a summary report to the Committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the Committee consider actions and assess the year.

Review of Effectiveness

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

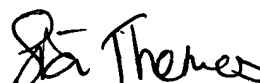
- the work of the external Auditor
- the work of the internal Auditor
- work carried out by HWB reviewing VAT and our trading subsidiary, Ambers Group Limited
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- there has been an explicit Finance Planning Group at executive level, which has met on a fortnightly basis throughout the year to support the development and embedding of finance procedures across the Trust including the introduction of a new finance system

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Management Committee and ensure continuous improvement of the system is in place. The system has been deemed to be effective overall, however during the year issues have been identified that are being addressed in the form of internal audit reviews of processes and systems.

Approved by order of the members of the Board of Trustees on 14/12/2020 and signed on its behalf by:



Mrs C Sard
Chair of Trustees



Ms S Thomas
Accounting Officer

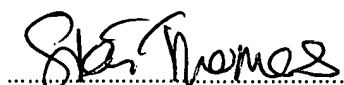
Ambitions Academies Trust - Year ended 31 August 2020

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Ambitions Academies 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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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



Ms S Thomas
Accounting Officer

Date: 14/12/2020

Ambitions Academies Trust - Year ended 31 August 2020

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the Financial Statements in accordance with the Academies Accounts Direction published by the Education 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 in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the Financial Statements
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from Education & Skills Funding Agency and Department for Education have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 14/12/2020 and signed on its behalf by:



Mrs C Sard
Vice Chair of Trustees

Ambitions Academies Trust - Year ended 31 August 2020

Independent Auditor's Report to the Members of Ambitions Academies Trust

Opinion

We have audited the Financial Statements of Ambitions Academies Trust (the 'Parent Academy Trust') and its subsidiary (the 'group') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheets, the Statement of Cash Flows and the Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 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 group's and of the parent Academy Trust's affairs as at 31 August 2020, and of the group's 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 2019 to 2020 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Ambitions Academies Trust - Year ended 31 August 2020

Independent Auditor's Report to the Members of Ambitions Academies Trust *(continued)*

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report, other than the Financial Statements and our Auditor's Report thereon. Other information includes the Trustees' Report (incorporating the Strategic Report and the Directors' Report), the Governance Statement, and the Accounting Officer's statement. Our opinion on the Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 24, 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 group's and the parent 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 group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

Ambitions Academies Trust - Year ended 31 August 2020

Independent Auditor's Report to the Members of Ambitions Academies Trust *(continued)*

Auditor's responsibilities for the audit of the Financial Statements

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

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our Auditor's Report.

Use of our report

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



10 Bridge Street
Christchurch
Dorset
BH23 1EF

LUCY FILER
(Senior Statutory Auditor)
For and on behalf of
FILER KNAPPER LLP
Chartered Accountants
& Statutory Auditor

Date: 21 December 2020

Ambitions Academies Trust - Year ended 31 August 2020

Independent Reporting Accountant's Assurance Report on Regularity to Ambitions Academies Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ambitions Academies Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Ambitions Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ambitions Academies 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 Ambitions Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Ambitions Academies Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Ambitions Academies Trust's funding agreement with the Secretary of State for Education dated 30 July 2014, subsequent funding agreements and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- Reviewing the systems and procedures in place.
- Reviewing the results of the audit work which could have implications over the assurance conclusion.
- Reviewing the Trust's funding agreement and articles of association and whether these have been followed.
- Considering the requirements of the financial handbook and accounts directions issued by the ESFA and whether any material breaches have occurred.

Ambitions Academies Trust - Year ended 31 August 2020

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

Conclusion

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



10 Bridge Street
Christchurch
Dorset
BH23 1EF

FILER KNAPPER LLP
Chartered Accountants
& Statutory Auditor

Date: 21 December 2020

Ambitions Academies Trust - Year ended 31 August 2020

Consolidated Statement of Financial Activities (including Income and Expenditure Account)

	Notes	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Funds	Total Funds 2020	Total Funds 2019
		£	£	£	£	£
Income and endowments from:						
Donations and capital grants	2	-	17,262	1,680,135	1,697,397	1,288,777
Transfer from existing Academy Trust		-	-	-	-	17,967,909
Transfer from local authority on conversion		-	-	-	-	944,361
Charitable activities:						
Funding for the Trust's educational operations	3	683,870	38,230,871	-	38,914,741	30,090,821
Teaching school	3	10,739	185,450	-	196,189	193,924
Other trading activities	4	845,617	-	-	845,617	886,962
Investments	5	2,485	-	-	2,485	1,829
Total		1,542,711	38,433,583	1,680,135	41,656,429	51,374,583
Expenditure on:						
Raising funds		662,501	-	-	662,501	686,565
Charitable activities:						
Trust education operations		783,492	37,821,041	1,857,013	40,461,546	32,402,572
Teaching school		-	72,911	-	72,911	122,204
Total	6	1,445,993	37,893,952	1,857,013	41,196,958	33,211,341
Net income/(expenditure)		96,718	539,631	(176,878)	459,471	18,163,242
Transfers between funds	17	-	(53,479)	53,479	-	-
Other recognised gains:						
Actuarial (losses)/gains on defined benefit pension schemes	17, 27	-	(6,017,000)	-	(6,017,000)	(3,424,000)
NET MOVEMENT IN FUNDS		96,718	(5,530,848)	(123,399)	(5,557,529)	14,739,242
RECONCILIATION OF FUNDS						
Funds brought forward at 1 September 2019		1,749,443	(25,217,539)	87,194,089	63,725,993	48,986,751
Funds carried forward at 31 August 2020		1,846,161	(30,748,387)	87,070,690	58,168,464	63,725,993

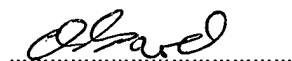
All of the Trust's activities derive from continuing operations and acquisitions during the above financial period.

Ambitions Academies Trust - Year ended 31 August 2020

Balance Sheet as at 31 August 2020 - Consolidated

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	12		2,588		-
Tangible assets	13		85,399,570		85,964,445
			<u>85,402,158</u>		<u>85,964,445</u>
Current assets					
Debtors	14	2,314,064		2,001,642	
Cash at bank and in hand		<u>6,969,651</u>		<u>3,865,716</u>	
		9,283,715		5,867,358	
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(3,552,409)</u>		<u>(2,855,810)</u>	
Net current assets			<u>5,731,306</u>		<u>3,011,548</u>
Total assets less current liabilities			91,133,464		88,975,993
Creditors: Amounts falling due after more than one year	16		-		(500,000)
Net assets excluding pension liability			<u>91,133,464</u>		<u>88,475,993</u>
Defined benefit pension scheme liability	27		(32,965,000)		(24,750,000)
Total assets			<u>58,168,464</u>		<u>63,725,993</u>
Funds of the Trust:					
Restricted funds					
Fixed asset fund	17	87,070,690		87,194,089	
Restricted income fund	17	2,216,613		(467,539)	
Pension reserve	17	<u>(32,965,000)</u>		<u>(24,750,000)</u>	
Total restricted funds			56,322,303		61,976,550
Unrestricted income funds	17		1,846,161		1,749,443
Total funds			<u>58,168,464</u>		<u>63,725,993</u>

The Financial Statements on pages 30 to 60 were approved by the Trustees and authorised for issue on 14/12/2020 and are signed on their behalf by:



Mrs C Sard
Chair of Trustees


Company Number 07977940

Ambitions Academies Trust - Year ended 31 August 2020

Balance Sheet as at 31 August 2020 - Academy Trust

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Intangible assets	12		2,588		-
Tangible assets	13		85,399,570		85,964,445
			<u>85,402,158</u>		<u>85,964,445</u>
Current assets					
Debtors	14	3,428,463		2,508,618	
Cash at bank and in hand		<u>5,776,270</u>		<u>3,309,105</u>	
			<u>9,204,733</u>		<u>5,817,723</u>
Liabilities					
Creditors: Amounts falling due within one year	15	<u>(3,474,009)</u>		<u>(2,842,936)</u>	
Net current assets			<u>5,730,724</u>		<u>2,974,787</u>
Total assets less current liabilities			91,132,882		88,939,232
Creditors: Amounts falling due after more than one year	16		-		(500,000)
Net assets excluding pension liability			<u>91,132,882</u>		<u>88,439,232</u>
Defined benefit pension scheme liability	24		(32,965,000)		(24,750,000)
Total assets			<u><u>58,167,882</u></u>		<u><u>63,689,232</u></u>
Funds of the Trust:					
Restricted funds					
Fixed asset fund	17	87,070,690		87,194,089	
Restricted income fund	17	1,886,685		(467,539)	
Pension reserve	17	<u>(32,965,000)</u>		<u>(24,750,000)</u>	
Total restricted funds			55,992,375		61,976,550
Unrestricted income funds	17		2,175,507		1,712,682
Total funds			<u><u>58,167,882</u></u>		<u><u>63,689,232</u></u>

The Financial Statements on pages 30 to 60 were approved by the Trustees and authorised for issue on 16/12/2020 and are signed on their behalf by:



Mrs C Sard
Chair of Trustees

Company Limited by Guarantee
Company Number 07977940

Ambitions Academies Trust - Year ended 31 August 2020

Statement of Cash Flows

	Notes	2020 £	2019 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	3,213,105	1,852,239
Cash flows from investing activities	23	390,830	129,210
Cash flows from financing activities	22	(500,000)	(30,000)
Change in cash and cash equivalents in the reporting period		<u>3,103,935</u>	<u>1,951,449</u>
Cash and cash equivalents at 1 September 2019		3,865,716	1,914,267
Cash and cash equivalents at 31 August 2020	24	<u>6,969,651</u>	<u>3,865,716</u>

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements

1 Statement of accounting policies

General information and basis of preparation

Ambitions Academies Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 3 of these Financial Statements along with the principal place of business. The nature of the Academy Trust's operations and principal activities are set out in the Trustees' Report on pages 8 and 9.

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

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

Going Concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the Financial Statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the Financial Statements. See note 17 for more details.

Group financial statements

These Financial Statements consolidate the results of Ambitions Academies Trust and its wholly owned subsidiary, Ambers Group Limited, on a line by line basis. A separate statement of financial activities for the charity itself is not presented. Ambers Group Limited was incorporated on 11 July 2017, trade began in the year ended 2018 when the nursery provision was transferred from the Trust, along with sundry smaller income streams. The subsidiary has the same registered office as the Trust.

The Trust has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose a cashflow for the Trust alone as it is included within the consolidated cashflow.

Income

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

Grants

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

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

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

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

1 Statement of accounting policies *(continued)*

Sponsorship Income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other Income

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

Income from trading activities includes income earned from trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the Financial Statements until they are sold. The Trust does not currently hold any donated goods, facilities or services.

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

Transfer on conversion

Where assets and liabilities are received by the Academy Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received. The basis of measurement for transferred premises, is the fair value derived based on that of equivalent items.

Transfer of existing academies into the Academy Trust

Where assets and liabilities are received on the transfer of an existing Academy into the Academy Trust, the transferred net assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing Academy into the Academy Trust within donations and capital grant income to the net assets acquired.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

1 Statement of accounting policies *(continued)*

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.

Costs of raising funds

These are the operating costs of the subsidiary trading company.

Charitable Activities

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

All resources expended are inclusive of irrecoverable VAT.

Intangible Fixed Assets

Intangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible fixed assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software - 3 years straight line

Tangible Fixed Assets

Tangible fixed assets costing £2,000 or more are capitalised. Tangible fixed assets 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. Tangible fixed assets purchased out of unrestricted funds are transferred to the restricted fixed asset fund when the assets are to be used for the Trust's charitable purposes and it is deemed appropriate to designate them as restricted. Depreciation on these transferred assets is charged to the restricted fixed asset fund.

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

- | | |
|---|--|
| • Freehold and long leasehold buildings | Buildings 50, 25 and 15 years straight line/land 125 years straight line |
| • Fixtures, fittings and equipment | 25% reducing balance |
| • Computer hardware | 3 years straight line |
| • Motor vehicles | 5 years straight line |

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

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

1 Statement of accounting policies *(continued)*

Tangible Fixed Assets *(continued)*

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.

Agency Arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 10% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 29.

Conversion to an Academy Trust

The conversion from a state maintained school to an Academy Trust in 2019 involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion in 2019 from All Saints Church of England School to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Liabilities

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

Provisions

Provisions are recognised at when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

1 Statement of accounting policies *(continued)*

Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Concessionary Loan

The Trust accounts for the ESFA loan as a concessionary loan. Concessionary loans are made to a public benefit entity at below market interest rates to advance the charitable purposes of the charity to which it is made. The loan is recognised on initial measurement at the amount advanced.

Taxation

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

Pensions Benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

1 Statement of accounting policies *(continued)*

Pensions Benefits *(continued)*

Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

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

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

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

There are no limits imposed on the amount of GAG that the Trust is permitted to carry forward from one year to the next.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The 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.

LeAF Studio is currently funded by estimate funding rather than lagged funding. LeAF moves to lagged funding in the 2020-21 academic year. Pupil numbers for the following year are estimated and are submitted to the ESFA. LeAF is then funded on this estimated pupil number. During the year actual pupil numbers are recorded during the October and January census. If the actual pupil numbers are above the estimated figure and meet the threshold for an adjustment, then the ESFA will top up the funding from May onwards. If the actual pupil numbers are below the estimate, then the ESFA will recover the overpayment in instalments from the following September.

St Aldhelm's Academy is currently being funded on a hybrid between lagged and estimate funding. Initially St Aldhelm's Academy is funded through lagged funding, if at the census dates it has reached 5% growth in pupils, it will trigger an additional payment from the ESFA. This payment normally happens in either August or September. Due to the timing this can create an accrued income balance at year end. Because it is initially funded on lagged pupil numbers there is no risk of a clawback from the ESFA. St Aldhelm's Academy has agreed with the ESFA to have funding hybrid for a further 3 year period 2020/21-2023/24

Manorside Academy is funded on lagged funding however due to the increasing pupil numbers the Trust applies to have an in-year adjustment that creates an additional payment in the year.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

2 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Donations	-	17,262	17,262	-
Capital grants	-	1,680,135	1,680,135	1,288,777
	-	1,697,397	1,697,397	1,288,777
2019 total	-	1,288,777	1,288,777	

3 Funding for the Trust's educational operations

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
DfE/ESFA Revenue Grants				
General Annual Grant (GAG)	-	29,073,664	29,073,664	21,884,792
Start up grants	-	-	-	129,750
Other DfE/ESFA grants	-	4,404,220	4,404,220	2,989,643
Teaching School	10,739	185,450	196,189	193,924
	10,739	33,663,334	33,674,073	25,198,109
Other Government Grants				
Local authority grants	-	4,244,082	4,244,082	4,227,468
Exceptional Government Grant Funding				
Coronavirus Job Retention Scheme Grant	-	257,136	257,136	-
Coronavirus exceptional support	-	69,452	69,452	-
	-	4,570,670	4,570,670	4,227,468
Other income from the Trust's educational operations	683,870	182,317	866,187	859,168
	683,870	4,752,987	5,436,857	5,086,636
	694,609	38,416,321	39,110,930	30,284,745
2019 total	907,566	29,377,179	30,284,745	

The Academy Trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

- The Academy furloughed some of its nursery, wrap around care, caretakers, catering, cleaning, welfare, supervisory / teaching assistants' staff under the governments CJRS. The funding received of £257k relates to staff costs in respect of 126 staff which are included within note 8 below as appropriate.
- The funding received for coronavirus exceptional support covers £69k of premise and FSM costs. These costs are included in notes 6 and 7 below as appropriate.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements (continued)

4 Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Hire of facilities	182,534	-	182,534	127,331
Consultancy and leadership	-	-	-	34,416
Other income	-	-	-	1,892
Income from trading subsidiary (see note 31)	663,083	-	663,083	723,323
	<u>845,617</u>	<u>-</u>	<u>845,617</u>	<u>886,962</u>
2019 total	<u>886,962</u>	<u>-</u>	<u>886,962</u>	

5 Investment income

	Unrestricted Funds £	Total Funds 2020 £	Total Funds 2019 £
Short term deposits	2,485	2,485	1,829
2019 total	<u>1,829</u>	<u>1,829</u>	

6 Expenditure

	Staff Costs £	Premises £	Other Costs £	Total 2020 £	Total 2019 £
Expenditure on raising funds:					
Direct costs	371,562	-	24,195	395,757	590,967
Allocated support costs	322,048	9,013	37,836	368,897	95,598
Educational operations:					
Direct costs	24,578,740	-	3,351,397	27,930,137	21,552,317
Allocated support costs	7,230,413	2,144,631	3,054,212	12,429,256	10,850,255
Teaching school:					
Direct costs	72,911	-	-	72,911	93,551
Allocated support costs	-	-	-	-	28,653
	<u>32,575,674</u>	<u>2,153,644</u>	<u>6,467,640</u>	<u>41,196,958</u>	<u>33,211,341</u>
2019 total	<u>25,401,675</u>	<u>1,740,952</u>	<u>6,068,714</u>	<u>33,211,341</u>	

	2020 £	2019 £
Outgoing resources for the year include:		
Operating lease rentals	92,283	62,860
Depreciation	1,853,665	1,450,907
Amortisation	412	8,834
Fees payable to auditor for:		
- audit	39,975	45,000
- audit related assurance	6,995	26,518
other services	48,275	10,170

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

7 Charitable Activities

	Total 2020	Total 2019
	£	£
Direct costs - educational operations	27,930,137	21,552,317
Support costs - educational operations	12,429,256	10,850,255
Direct costs - teaching school	72,911	93,551
Support costs - teaching school	-	28,653
	40,432,304	32,524,776

Analysis of support costs	Educational Operations	Teaching School	Total 2020	Total 2019
	£	£	£	£
Support staff costs	7,230,413	-	7,230,413	5,899,179
Depreciation	426,438	-	426,438	905,039
Technology costs	358,968	-	358,968	423,743
Premises costs	2,144,631	-	2,144,631	1,734,196
Legal costs - conversion	12,058	-	12,058	26,337
Legal costs	62,241	-	62,241	24,922
Other support costs	2,099,111	-	2,099,111	1,751,905
Governance costs	95,396	-	95,396	113,587
Total support costs	12,429,256	-	12,429,256	10,878,908

8 Staff

a. Staff costs

	Total 2020	Total 2019
	£	£
Staff costs during the year were:		
Wages and salaries	22,681,590	18,046,274
Social security costs	2,197,915	1,611,872
Pension costs	6,389,633	4,666,721
	31,269,138	24,324,867

Agency staff costs	1,202,719	980,207
Staff restructuring costs	103,817	96,601
	32,575,674	25,401,675

Staff restructuring costs comprise:

Redundancy payments	30,213	-
Severance payments	73,604	96,601
	103,817	96,601

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

8 Staff *(continued)*

b. Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £32,009 (2019 - £58,910). Individually, the payments were £10,000, £5,000, £7,202, £3,869, £3,284, £2,654.

c. Staff numbers

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

	2020	2019
	No.	No.
Teachers	655	519
Administration and support	483	394
Management	21	20
	<u>1,159</u>	<u>933</u>

d. Higher paid staff

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

	2020	2019
	No.	No.
£60,000 - £70,000	4	8
£70,001 - £80,000	5	5
£80,001 - £90,000	7	1
£90,001 - £100,000	2	1
£100,001 - £110,000	-	3
£110,001 - £120,000	1	-
£120,001 - £130,000	3	-
£130,001 - £140,000	-	-
£140,001 - £150,000	-	-
£150,001 - £160,000	-	1
£160,001 - £170,000	<u>1</u>	<u>-</u>

Twenty of the above employees participated in the Teachers' Pension Scheme and the rest in the Local Government Pension Scheme.

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,072,299 (2019 - £867,310).

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

9 Central Services

The Trust has provided the following central services to its Academies during the year:

- Educational support services
- Financial services
- Human resources
- IT
- Legal services

The Trust charges for core services as an equal share across all Academies, Tregonwell Academy has the equivalent of two Academies, as it is split across multiple campuses. The recently converted academies Wey Valley, All Saints and Kinson have been charged at a lower rate.

The actual amounts charged during the year were as follows:

	Total 2020 £	Total 2019 £
Tregonwell Academy	300,540	300,540
Longpsee Academy	151,980	151,980
Queen's Park Academy	151,980	151,980
King's Park Academy	151,980	151,980
Manorside Academy	151,980	151,980
St Aldhelm's Academy	151,980	151,980
LeAF Studio	151,980	151,980
Elm Academy	151,980	151,980
Oak Academy	151,980	151,980
Bayside Academy	151,980	151,980
Kinson Academy	96,491	-
All Saints Academy	96,491	-
Wey Valley Academy	96,491	-
	1,957,833	1,668,360

The Trust runs a system of amalgamating the GAG funding for all its Academies to form one central fund, which is then used to meet the running costs of the Academies within the Trust, through a budgeting process.

10 Related Party Transactions - Trustees' remuneration and expenses

No Trustees were paid remuneration during the year.

During the year ended 31 August 2020, no travel and subsistence expenses were reimbursed or paid directly to any Trustee (2019 - £Nil). Other related party transactions are set out in note 28.

11 Trustees and officers insurance

The 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.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

12 Intangible fixed assets

Group

	Computer Software £	Total £
Cost		
At 1 September 2019	47,495	47,495
Transfer from existing Academy	3,000	3,000
At 31 August 2020	50,495	50,495
Amortisation		
At 1 September 2019	47,495	47,495
Charged in year	412	412
At 31 August 2020	47,907	47,907
Net Book Values		
At 31 August 2019	-	-
At 31 August 2020	2,588	2,588

The trading subsidiary does not hold any assets, therefore the group and charity position are the same.

13 Tangible fixed assets

Group

	Leasehold Land and Buildings £	Freehold Land and Buildings £	Fixtures, Fittings and Equipment £	IT and Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2019	70,061,424	20,046,509	1,529,460	1,492,561	212,484	93,342,438
Additions	521,132	485,182	47,315	223,756	14,340	1,291,725
Transfer from local authority	-	-	-	-	-	-
Transfer from existing Academy	-	-	-	-	-	-
Disposals	-	-	-	-	(11,459)	(11,459)
At 31 August 2020	70,582,556	20,531,691	1,576,775	1,716,317	215,365	94,622,704
Depreciation						
At 1 September 2019	4,261,750	706,830	974,917	1,348,186	86,310	7,377,993
Charged in year	1,241,594	344,674	122,910	103,679	40,808	1,853,665
Disposals	-	-	-	-	(8,524)	(8,524)
At 31 August 2020	5,503,344	1,051,504	1,097,827	1,451,865	118,594	9,223,134
Net Book Values						
At 31 August 2019	65,799,674	19,339,679	554,543	144,375	126,174	85,964,445
At 31 August 2020	65,079,212	19,480,187	478,948	264,452	96,771	85,399,570

The trading subsidiary does not hold any assets, therefore the group and charity position are the same.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

14 Debtors

	Group		Academy Trust	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	232,762	406,445	218,707	387,044
VAT recoverable	547,141	582,126	547,141	564,842
Other debtors	37,934	8,856	1,166,388	558,875
Prepayments and accrued income	1,496,227	1,004,215	1,496,227	997,857
	<u>2,314,064</u>	<u>2,001,642</u>	<u>3,428,463</u>	<u>2,508,618</u>

15 Creditors: amounts falling due within one year

	Group		Academy Trust	
	2020	2019	2020	2019
	£	£	£	£
Trade creditors	560,638	395,178	482,238	395,178
Taxation and Social Security	1,123,587	999,263	1,123,587	999,263
ESFA creditor - loan	500,000	670,000	500,000	670,000
Other creditors	282,953	79,262	282,953	79,240
Accruals and deferred income	1,085,231	712,107	1,085,231	699,255
	<u>3,552,409</u>	<u>2,855,810</u>	<u>3,474,009</u>	<u>2,842,936</u>

	Group		Academy Trust	
	2020	2019	2020	2019
	£	£	£	£
Deferred income				
Deferred income at 1 September 2019	291,907	222,143	291,907	222,143
Released from previous years	(291,907)	(222,143)	(291,907)	(222,143)
Resources deferred in the year	462,766	291,907	462,766	291,907
Deferred income at 31 August 2020	<u>462,766</u>	<u>291,907</u>	<u>462,766</u>	<u>291,907</u>

Deferred income arises from grants paid in advance, covering the first 7 months of 2020/2021. These include Universal Infant Free School Meals, Devolved Formula Capital and Rates Relief.

Amounts falling due within one year include £500,000 (2019 - £670,000) due to the ESFA, relating to St Aldhelm's Academy, in respect of deficit funding which was provided. This is a concessionary loan from the ESFA, which is being repaid by monthly instalments from September 2017, ending in August 2021 and it is interest free.

16 Creditors: amounts falling due in more than one year

	Group		Academy Trust	
	2020	2019	2020	2019
	£	£	£	£
Concessionary Loan	-	500,000	-	500,000

Amounts falling due after one year include £Nil (2019 - £500,000) due to the ESFA, relating to St Aldhelm's Academy, in respect of deficit funding which was provided. This is a concessionary loan from the ESFA, which is being repaid by monthly instalments from September 2017, ending in August 2021 and it is interest free.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

17 Funds

	Balance at 1 Sep 19 £	Incoming Resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 Aug 20 £
Restricted general funds					
General Annual Grant (GAG)	3,257,061	25,763,372	(23,435,714)	169,700	5,754,419
Start up grant	8,706	-	-	(8,706)	-
Other DfE/ESFA grants	282,154	4,730,808	(4,750,122)	(214,473)	48,367
Local authority grants	-	4,244,082	(4,044,796)	-	199,286
Other income from educational operations	(5,988)	199,579	(179,307)	-	14,284
Teaching school	-	185,450	(72,911)	-	112,539
Pension reserve (note 27)	(24,750,000)	-	(2,198,000)	(6,017,000)	(32,965,000)
Transfer on conversion	22,306	-	-	-	22,306
Sponsored Academy deficit					
- GAG	(2,861,778)	3,310,292	(3,213,102)	(670,000)	(3,434,588)
- Concessionary loan	(1,170,000)	-	-	670,000	(500,000)
	<u>(25,217,539)</u>	<u>38,433,583</u>	<u>(37,893,952)</u>	<u>(6,070,479)</u>	<u>(30,748,387)</u>
Restricted fixed asset funds					
Fixed Asset Fund	85,964,445	-	(1,857,013)	1,294,726	85,402,158
Transfer on conversion	-	-	-	-	-
DfE/ESFA capital grants	1,225,603	1,272,810	-	(855,842)	1,642,571
LA capital grants	1,927	407,325	-	(385,405)	23,847
Capital expenditure from GAG	2,114	-	-	-	2,114
	<u>87,194,089</u>	<u>1,680,135</u>	<u>(1,857,013)</u>	<u>53,479</u>	<u>87,070,690</u>
Total restricted funds	<u>61,976,550</u>	<u>40,113,718</u>	<u>(39,750,965)</u>	<u>(6,017,000)</u>	<u>56,322,303</u>
Total unrestricted funds	<u>1,749,443</u>	<u>1,542,711</u>	<u>(1,445,993)</u>	<u>-</u>	<u>1,846,161</u>
Total funds	<u>63,725,993</u>	<u>41,656,429</u>	<u>(41,196,958)</u>	<u>(6,017,000)</u>	<u>58,168,464</u>

Unrestricted Fund

This includes the trading subsidiary balance of £582. The trading subsidiary income and expenditure is all treated as unrestricted.

General Annual Grant (GAG) - The General Annual Grant funding from the Education and Skills Funding Agency has been used in line with the funding agreement for the running of the Trust, including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ ESFA grants - Other Department for Education and Education Funding Agency Grants received have included Pupil Premium grant, Year 7 catch up grant, universal infant free school meals and the PE grant, all of which were used for direct impact for the pupils targeted by these grants. The Trust also received grants for insurance, rates, Teachers Pay grant, Teachers Pension grant and Covid-19 exceptional costs grant, which was used directly against the associated costs such as increased cost of teachers wages, teachers pension contributions and super market free school meal vouchers, PPE equipment and then the opening of the academies over the holiday periods.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

17 Funds *(continued)*

Pupil Premium - Funding from the Education and Skills Funding Agency to contribute to the additional educational needs of children who qualify. The purpose of this grant is to close the educational achievement gap between pupils identified under pupil premium and other pupils. This grant was spent on additional curriculum support services. An annual statement of how each of our Academies has utilised their grant is published on our website.

Local Authority Grants - Funding from the local authority includes high needs top up payments for pupils in special schools, purchase of bespoke provision and pupil premium funding for looked after pupils. This funding was spent on the full range of education provision for these pupils.

Other income from educational operations - This includes funding received from local authorities for provision of educational services either to pupils on the Trust's site or in their own schools for outreach services. This funding is spent on direct staff costs, equipment support staff and overheads.

Teaching school - Funding for the teaching school originates both from a grant from the National College of Teaching and Learning and from income generated by the activities of the teaching school.

Transfer on conversion - This amount brought forward represents restricted funds not spent on conversion of Wey Valley and Kinson.

Sponsored Academy Deficit - This represents the carried forward and ongoing deficit within GAG and concessionary loan with the ESFA at St Aldhelm's Academy. See Academies in deficit below.

DfE/ESFA capital grants - Grants for both devolved formula capital, and school condition allocation are represented, with the balance at year end being the unspent proportion of the condition improvement fund bids and school condition allocation fund where work crosses the academic year.

LA Capital Grants - The Trust has been funded by BCP Council for 3 projects and these were as follows:

St Aldhelm's Academy - Basic need grant to enable St Aldhelm's Academy to take on the additional numbers on role that are within the Pupil Allocation Number of the school. It was identified and agreed between BCP and the Trust further investment was required. BCP therefore agreed to fund towards the building works at St Aldhelm's Academy through the basic needs grant. The grant value received was £346,785.

Manorside Pupil Referral Base (PRB) - Basic need grant to enable the creation of a Primary PRB with 10 places at Manorside Academy. BCP identified the additional need for PRB placements and approached the Trust in order to meet the need they had identified. The grant value received was £30,474

Longspee Academy Ensbury Park Satellite - Basic need grant to enable the creation of a Special school satellite in the Bournemouth area. BCP identified the need for additional spaces needed for Special school placements and approached the Trust in order to meet the need they had identified. The grant value received was £30,066.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

17 Funds *(continued)*

Transfers between funds - Transfers between funds represents the movement of capital grants and unrestricted funds into the restricted fixed asset fund for capital additions in the year, it also includes a reallocation between GAG and other DfE / ESFA grants.

Analysis of Academies by fund balance	2020 £	2019 £
Ambitions Academies Trust	767,076	789,159
Tregonwell Academy	(214,326)	(293,614)
Queen's Park Academy	1,408,280	1,172,243
Longspee Academy	1,119,293	740,810
King's Park Academy	1,542,846	1,187,257
Manorside Academy	35,053	1,468
St Aldhelm's Academy	(3,592,627)	(3,733,481)
LeAF Academy	(978,747)	(1,069,978)
Elm Academy	2,345,487	1,809,312
Oak Academy	(50,191)	77,279
Bayside Academy	405,625	335,748
Kinson Academy	34,370	133,408
All Saints Academy	888,528	198,886
Wey Valley Academy	351,525	(103,354)
Total before fixed assets and pension reserve	4,062,192	1,245,143
Trading subsidiary	582	36,761
Pension reserve	(32,965,000)	(24,750,000)
Restricted fixed asset fund	87,070,690	87,194,089
Total	58,168,464	63,725,993

Academies in Deficits

The Trust as a whole is now carrying a surplus of £4,062,774 (2019 - £1,281,904) on amalgamated unrestricted and restricted general funds (including the trading subsidiary contribution but excluding fixed assets and pension reserve), however some Academies are still carrying a deficit. The Trust is taking the following action to return these funds to surplus:

St Aldhelm's Academy is carrying a net deficit of £3,592,627 (2019 - £3,733,481). Of this deficit £500,000 relates to a specific arrangement between the Trust and the ESFA which has an agreed repayment plan to the ESFA with instalments to run from 2017/18 to 2020/21. The Trust will ensure there are sufficient free reserves to cover the repayment plan by rigorously matching income and resources on an on-going basis and limiting capital investment. The Academy has made a surplus this year of £230,753, pupil numbers continue to increase and the Trust is budgeting that they will continue to have surplus funds moving forwards, to reach a level at which the Academy makes a fund surplus from 2020.

Tregonwell Academy is carrying a net deficit of £214,326 (2019 - £293,614) a reduction of £79k in the year. This is related to the historic disparity on the requirements of the high need pupils and the associated funding from the local authority. The Academy continues to show an in year surplus further reducing the deficit.

LeAF Studio is carrying a net deficit of £978,747 (2019 - £1,069,978) which is largely represents a historic deficit that was transferred into the Trust in September 2017. The Academy has been able to return a surplus of £23k in the year and the Trust is budgeting that this trend will continue.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

17 Funds *(continued)*

Academies in Deficits *(continued)*

Oak Academy is carrying a net deficit of £50,191 (2019 - £77,279 surplus). It came into the Trust in a surplus position but due to falling numbers the school is now in deficit. The Trust is supporting Oak in that it has agreed the broad curriculum can remain to meet the needs of the school community. The Trust is improving standards in the school year on year and will this year look to use different methods of marketing in order to attract more pupils.

Kinson Academy is carrying a net surplus of £34,370 (2019 - £133,408). It came into the Trust with a small surplus position, but due to falling numbers and in year movement the school is now experiencing very low numbers. The Trust is supporting the staffing structure required to raise the standards and to meet the needs of the community. The standards in the school are improving year on year; the Trust will look at different marketing methods to improve student numbers.

Analysis of Academies by cost

	Teaching and Educational Support Staff Costs	Other Support Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total 2020	Total 2019
	£	£	£	£	£	£
Ambitions Academies Trust	817,195	2,606,076	33,107	924,686	4,381,064	4,238,165
Tregonwell Academy	2,508,327	989,259	127,326	626,951	4,251,863	3,930,459
Queen's Park Academy	1,409,149	132,214	85,438	316,417	1,943,218	1,801,375
Longspee Academy	1,024,614	197,430	29,543	253,372	1,504,959	1,266,662
King's Park Academy	1,954,536	254,716	81,827	476,464	2,767,543	2,545,094
Manorside Academy	1,173,872	151,495	36,587	346,319	1,708,273	1,348,747
St Aldhelm's Academy	2,658,315	392,771	159,216	767,974	3,978,276	3,348,161
LeAF Studio	1,248,698	234,317	618,309	374,917	2,476,241	2,430,116
Elm Academy	1,354,952	206,732	68,767	352,078	1,982,529	1,971,590
Oak Academy	2,123,997	516,118	104,600	627,827	3,372,542	3,790,090
Bayside Academy	1,061,777	155,298	36,528	325,211	1,578,814	1,420,550
Kinson Academy	1,002,868	174,539	50,851	263,305	1,491,563	961,848
All Saints	3,263,268	469,626	257,429	607,288	4,597,611	1,091,123
Wey Valley Academy	3,050,085	749,820	196,299	637,513	4,633,717	1,181,196
The Trust	24,651,653	7,230,411	1,885,827	6,900,322	40,668,213	31,325,176

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

17 Funds *(continued)*

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

	Balance at 1 Sep 18 £	Incoming Resources £	Resources Expended £	Gains, losses and transfers £	Balance at 31 Aug 19 £
Restricted general funds					
General Annual Grant (GAG)	2,051,031	19,184,406	(17,978,376)	-	3,257,061
Start up grant	9,065	129,750	(130,109)	-	8,706
Other DfE/ESFA grants	(1,301)	2,989,643	(2,680,214)	(25,974)	282,154
Local authority grants	-	4,227,468	(4,227,468)	-	-
Other income from educational operations	10,883	64,476	(81,347)	-	(5,988)
Teaching school	-	81,050	(81,050)	-	-
Pension reserve (note 27)	(13,743,000)	(5,426,000)	(2,157,000)	(3,424,000)	(24,750,000)
Transfer on conversion	-	22,306	-	-	22,306
Sponsored Academy deficit					
- GAG	(2,600,096)	2,700,386	(2,932,068)	(30,000)	(2,861,778)
- Concessionary loan	(1,200,000)	-	-	30,000	(1,170,000)
	<u>(15,473,418)</u>	<u>23,973,485</u>	<u>(30,267,632)</u>	<u>(3,449,974)</u>	<u>(25,217,539)</u>
Restricted fixed asset funds					
Fixed Asset Fund	37,750,794	-	(1,459,741)	49,673,392	85,964,445
Transfer on conversion	24,206,825	24,305,170	-	(48,511,995)	-
DfE/ESFA capital grants	1,072,249	1,172,575	-	(1,019,221)	1,225,603
LA capital grants	1,927	116,202	-	(116,202)	1,927
Capital expenditure from GAG	2,114	-	-	-	2,114
	<u>63,033,909</u>	<u>25,593,947</u>	<u>(1,459,741)</u>	<u>25,974</u>	<u>87,194,089</u>
Total restricted funds	<u>47,560,491</u>	<u>49,567,432</u>	<u>(31,727,373)</u>	<u>(3,424,000)</u>	<u>61,976,550</u>
Total unrestricted funds	<u>1,426,260</u>	<u>1,807,151</u>	<u>(1,483,968)</u>	<u>-</u>	<u>1,749,443</u>
Total funds	<u>48,986,751</u>	<u>51,374,583</u>	<u>(33,211,341)</u>	<u>(3,424,000)</u>	<u>63,725,993</u>

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2020 £
Intangible fixed assets	-	-	2,588	2,588
Tangible fixed assets	-	-	85,399,570	85,399,570
Current assets	1,846,161	5,769,022	1,668,532	9,283,715
Current liabilities	-	(3,552,409)	-	(3,552,409)
Non current liability	-	-	-	-
Pension scheme liability	-	(32,965,000)	-	(32,965,000)
Total net assets/(liabilities)	1,846,161	(30,748,387)	87,070,690	58,168,464

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds 2019 £
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	85,964,445	85,964,445
Current assets	1,749,443	2,888,271	1,229,644	5,867,358
Current liabilities	-	(2,855,810)	-	(2,855,810)
Non current liability	-	(500,000)	-	(500,000)
Pension scheme liability	-	(24,750,000)	-	(24,750,000)
Total net assets/(liabilities)	1,749,443	(25,217,539)	87,194,089	63,725,993

19 Capital commitments

	2020 £	2019 £
Contracted for, but not provided in the Financial Statements	-	-

20 Commitments under operating leases

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

	2020 £	2019 £
Amounts due within one year	103,295	92,283
Amounts due between one and five years	154,913	161,324
Amounts due after five years	-	15,083
	258,208	268,690

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

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

	2020	2019
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	459,471	18,163,242
Adjusted for:		
Amortisation	412	8,834
Depreciation charges	1,853,665	1,450,907
Interest receivable	(2,485)	(1,829)
Capital grants from DfE and other capital income	(1,680,135)	(1,288,777)
Capital income on transferred Academies	-	(24,305,170)
Unrestricted and restricted funds transferred on conversion	-	(33,100)
Pension liability transferred on conversion	-	5,426,000
Cash transferred on conversion to an Academy Trust	-	261,201
Defined benefit pension scheme cost	1,744,000	1,762,000
Defined benefit pension scheme finance cost	454,000	395,000
Debtors / creditors transferred on conversion	-	(228,102)
(Increase) / decrease in debtors	(312,422)	(229,077)
Increase / (decrease) in creditors	696,599	1,141,110
Decrease in non-current creditors	-	(670,000)
Net cash used in Operating Activities	3,213,105	1,852,239

22 Cashflows from financing activities

	2020	2019
	£	£
Repayment of borrowings	(500,000)	(30,000)
Cash inflows from new borrowing	-	-
Net cash provided by/(used in) financing activities	(500,000)	(30,000)

23 Cashflows from investing activities

	2020	2019
	£	£
Dividends, interest and rents from investments	2,485	1,829
Proceeds from sale of tangible fixed assets	2,935	-
Purchase of intangible fixed assets	(3,000)	-
Purchase of tangible fixed assets	(1,291,725)	(1,161,396)
Capital grants from DfE/ESFA	1,680,135	1,288,777
Net cash inflow from returns on investment and servicing of finance	390,830	129,210

24 Analysis of cash and cash equivalents

	2020	2019
	£	£
Cash in hand and at bank	6,969,651	3,865,716
Total cash and cash equivalents	6,969,651	3,865,716

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

25 Analysis of changes in net debt

	At 1 Sep 19 £	Cash flow £	At 31 Aug 20 £
Cash	3,865,716	3,103,935	6,969,651
	3,865,716	3,103,935	6,969,651
Loans falling due within one year	670,000	(170,000)	500,000
Loans falling due after one year	500,000	(500,000)	-
Total	5,035,716	2,433,935	7,469,651

26 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.

27 Pension and similar obligations

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

27 Pension and similar obligations *(continued)*

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £3,173,500 (2019 - £1,612,327).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £1,940,000. (2019 - £1,591,000), of which employer's contributions totalled £1,488,000 (2019 - £1,213,000) and employees' contributions totalled £452,000 (2019 - £378,000). The agreed contribution rates for future years are 20% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions	At 31 August 2020	At 31 August 2019
Rate of increase in salaries	3.25%	3.70%
Rate of increase for pensions in payment/inflation	2.25%	2.20%
Discount rate for scheme liabilities	1.60%	1.90%
Inflation assumption (CPI)	2.25%	2.20%
Commutation of pensions to lump sums	<u>50.00%</u>	<u>50.00%</u>

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

27 Pension and similar obligations *(continued)*

Local Government Pension Scheme *(continued)*

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

	At 31 August 2020	At 31 August 2019
<i>Retiring today</i>		
Males	23.3	22.9
Females	<u>24.8</u>	<u>24.8</u>
<i>Retiring in 20 years</i>		
Males	24.7	24.6
Females	<u>26.2</u>	<u>26.6</u>
	2020	2019
	£	£
Sensitivity analysis		
Discount rate +0.1%	(1,359,000)	(1,133,000)
Discount rate -0.1%	1,396,000	1,165,000
Mortality assumption - 1 year increase	1,928,000	1,512,000
Mortality assumption - 1 year decrease	(1,860,000)	(1,460,000)
CPI rate +0.1%	1,259,000	1,025,000
CPI rate -0.1%	(1,226,000)	(996,000)

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

	Fair value at 31 August 2020	Fair value at 31 August 2019
	£	£
Equities	9,848,000	9,445,000
Liability driven investment	2,301,000	2,423,000
Cash	198,000	481,000
Other Bonds	1,517,000	1,318,000
Diversified Growth Fund	1,094,000	1,080,000
Secured income Fund	103,000	-
Property	1,895,000	1,930,000
Infrastructure	1,297,000	975,000
Multi Asset Credit	863,000	849,000
Total market value of assets	<u>19,116,000</u>	<u>18,501,000</u>

The actual return on scheme assets was £821,000 (2019 - £1,281,000)

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

27 Pension and similar obligations *(continued)*

Local Government Pension Scheme *(continued)*

Amount recognised in the statement of financial activities

	Total 2020 £	Total 2019 £
Current service cost (net of employee contributions)	3,220,000	8,392,000
Past service cost	-	-
Interest income	-	-
Net interest cost	454,000	395,000
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	-	-
Admin expenses	12,000	9,000
Total amount recognised in the SOFA	3,686,000	8,796,000

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

	Total 2020 £	Total 2019 £
At 1 September 2019	43,251,000	24,871,000
Conversion of Academy Trusts:		
Transferred in on existing academies joining the Academy Trust	-	7,566,000
Transferred in on local authority joining the Academy Trust	-	2,553,000
Current service cost	3,369,000	2,460,000
Interest cost	820,000	745,000
Employee contributions	452,000	378,000
Actuarial gain	4,736,000	4,355,000
Benefits paid	(281,000)	(180,000)
Losses or gains on curtailments	-	-
Past service cost	-	506,000
Unfunded pension payments	(3,000)	(3,000)
Effect of non-routine settlements	(263,000)	-
At 31 August 2020	52,081,000	43,251,000

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

	Total 2020 £	Total 2019 £
At 1 September 2019	18,501,000	11,128,000
Conversion of Academy Trusts:		
Transferred in on existing academies joining the Academy Trust	-	3,526,000
Transferred in on local authority joining the Academy Trust	-	1,167,000
Interest income	366,000	350,000
Actuarial (loss)/gain	(1,281,000)	931,000
Employer contributions	1,488,000	1,213,000
Employee contributions	452,000	378,000
Benefits paid	(284,000)	(183,000)
Admin fees	(12,000)	(9,000)
Effect of non-routine settlements	(114,000)	-
At 31 August 2020	19,116,000	18,501,000

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

28 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 Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year facilities and services were provided to the trading subsidiary Ambers Group Limited at £Nil cost. At the year end £1,128,453 (2019 - £550,019) was due to the Trust from Ambers Group Limited.

29 Agency arrangements

The Trust distributed 16-19 bursary funds to students as an agent for the ESFA during the prior year. In the accounting period ending 31 August 2020 the Academy Trust received £27,463 and distributed £26,798 from the fund (2019 - £29,776). Unspent bursary funds will be returned to the ESFA in due course in consultation with them.

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

30 Teaching School trading account

	2019/20 £000	2019/20 £000	2019/20 £000	2018/19 £000	2018/19 £000	2018/19 £000
Income						
Direct Income						
Other Income	196				194	
Other Income						
Fundraising and other trading activities	-				-	
Total Income		196				194
Expenditure						
Direct Costs						
Direct staff costs	20			59		
Staff development	-			-		
Other direct costs	13			35		
Total direct costs		33			94	
Other costs						
Support staff costs	20			17		
Depreciation	-			-		
Technology costs	-			-		
Recruitment and support	-			-		
Security and support	-			-		
Other support costs	20			12		
Share of governance costs	-			-		
Total other costs		40			29	
Total Expenditure			(73)			(123)
Transfers between funds excluding depreciation			-			-
Surplus from all sources			123			71
Teaching School balances at 1 September 2019			103			32
Teaching School balances at 31 August 2020			226			103

Ambitions Academies Trust - Year ended 31 August 2020

Notes to the Financial Statements *(continued)*

31 Trading Subsidiary

The trading subsidiary of Ambitions Academies Trust is Ambers Group Limited (Company number 10861330). The subsidiary is limited by guarantee and consolidated under the basis of common control within the Financial Statements of Ambitions Academies Trust.

The statement of financial position of the trading subsidiary is shown below:

	2020	2019
	£	£
Assets	1,207,436	599,654
Liabilities	(1,206,854)	(562,897)
Retained profits	582	36,757

The results for the year ended 31 August 2020 of the trading subsidiary are shown below:

	2020	2019
	£	£
Income	663,083	723,323
Cost of sales	(722,084)	(630,561)
Administrative expenses	(42,570)	(56,005)
Other operating income	102,153	-
Surplus retained	<u>582</u>	<u>36,757</u>

Income is generated from the provision of nurseries, wrap around care and hire of facilities based at the Academy sites within the Trust.

32 Events after the end of the reporting period

The Covid-19 pandemic is still having a direct effect on all aspects of life in the UK, including the education sector. Through the autumn term the Academies are having to maintain the Department for Education guidelines and rules for the operation of schools. We are also having to keep a track on Public Health England announcements and updates and ensure that our procedures are compliant. There are also recommendations from the Local Authorities and Public Health Dorset to take into consideration.

The Trust has taken extra consideration for staff and students and the affect the pandemic and lockdowns have had on mental health and health as a whole. With this in mind, staff wellbeing has been paramount, working with the unions has been an important tool for monitoring and ensuring the wellbeing of staff is at the forefront of decisions being made within the Academies. Extra line management support has also been offered where needed as well as local initiatives within the Academies including peer to peer support. The CEO has kept a regular correspondence with all staff, students, and families/carers throughout the pandemic and this continues. Students have had additional input from the pastoral teams within the Academies to ensure their continued wellbeing.

Financially the DFE is supporting schools with the Covid-19 catch-up grant which is funded per student at £80 for primary and secondary students and £240 per student for special schools. These funds are being used to support the catch-up strategies being implemented in the Academies per the conditions of the grant. The Trust had identified that there would be additional resources needed in the 2020-21 academic year relating to the lock down in the 2019-20 academic year. This funding has enabled the Trust to cover the costs without the need to change the forecast for the 2020-21 academic year, due to the surpluses created in 2019-20. If greater expenditure was required to support the catch-up related to the pandemic, then the Trust feels it is in a good place to fund the additional expenditure if it was needed.

Specific costs that may increase would be related to cleaning, staffing (to enable additional learning opportunities) and supply cover (to cover illnesses and self-isolation). The Trust is therefore having more rigorous reviews of these lines of expenditure when the management account reviews take place.