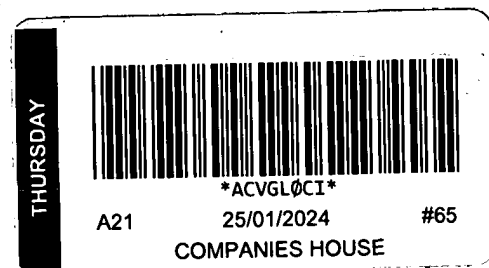


Company Registration Number: 09308398 (England & Wales)

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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



AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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AD ASTRA ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

L Ashurst
G Baldwin
S Prandle (resigned 9 December 2022)
C J Simmons
A Steel

Trustees

C J Simmons, Chair of Trustees
R Priestman, Vice Chair of Trustees (resigned 28 April 2023)
R C Broad
A A Brown OBE, Chief Executive Officer and Accounting Officer
G Brown (resigned 4 May 2023)
J Dobson (appointed 19 September 2023)
J G Maddison
C Malarkey (appointed 3 November 2022)
D New (appointed 23 September 2023)
E Robins (appointed 1 September 2023)
M Tilling
A Wilson (resigned 21 July 2023)

Company registered number

09308398

Company name

Ad Astra Academy Trust

Principal and registered office

Hub Two
The Innovation Centre Venture Court
Queens Meadow Business Park
Hartlepool
TS25 5TG

Senior Leadership Team

A A Brown OBE, Chief Executive Officer
P Wiley, School Improvement Lead
H Durnion, School Improvement Lead
S Lister, Chief Operating Officer
A Degnan, Finance Manager
M Ingram, HR Manager
J Dunning, Estates Manager
H Jackson, Head of School Improvement (left 30th April 2023)
C Haylock, Executive Headteacher, (Ayresome Primary School & West View Primary School)
A Hall, Headteacher (West Park Primary School)
S Greenan, Headteacher (Brougham Primary School)
L Todd, Headteacher (Rosebrook Primary School)
C Twiby, Headteacher (Crooksbarrow Primary School)
L Furness, Acting Headteacher (West View Primary School)

AD ASTRA ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2023

L Walker, Headteacher (Barnard Grove Primary School)
J Sutton, Headteacher (Sunnyside Primary School)

Independent auditors

Clive Owen LLP
Chartered Accountants & Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Bankers

Lloyds Bank LLP
128-132 York Road
Hartlepool
TS26 9DD

Solicitors

Ward Hadaway
102 Quayside
Newcastle upon Tyne
NE1 3DX

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The Trust operates 8 primary academies in Hartlepool, Stockton and Middlesbrough. Its academies have a combined pupil capacity (reception to year six) of 3,042 including three SEN resource bases with a combined capacity of 71 places at Sunnyside Academy; a 30-place visual impaired unit, 16-place hearing impaired unit and 25-place moderate learning difficulty unit and had a roll of 2,809 in the school census on 18 May 2023. Pupils are admitted into each academy based upon the approved admissions criteria set by the relevant Local Authority.

Structure, governance and management

Constitution

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

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

Members' liability

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

Trustees' indemnities

The Trust is a member of the Risk Protection Arrangements (RPA) to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy business. Further details are provided in note 13.

Method of recruitment and appointment or election of Trustees

The Members appoint a minimum of six Trustees. The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Chief Executive Officer or any post held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. The Trustees are able to consider appointing additional Trustees under the Articles should a vacancy exist, and their skills and expertise be deemed beneficial to Trust operations. An application and due diligence process will be undertaken to ensure any future board members share the ethos and values of the Trust and to ensure that their appointment will bring added value to the Trust Board.

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

Structure, governance and management (continued)

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are usually offered a tour of each academy and the chance to meet with staff and pupils, although during the period, these visits have been limited due to the COVID risk. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

During the year the Trust operated a unified leadership and governance structure consisting of 6 levels: the Trust Board, two Trust Committees (Challenge and Resources), the Trust Executive Leadership Team, the Headteacher Board, the Local Academy Committee and the Senior Leadership Team within each school across the Trust. The aim of this structure is to devolve responsibility and encourage involvement in decision making at all levels. The decision-making authority of each layer is detailed in the Trust Scheme of Delegation.

The Trustees

The Trust Board is responsible for the strategic direction of the Trust and ensuring high standards of corporate governance are maintained at all levels. It exercises its functions and powers by addressing such matters as:

- Developing, implementing, and monitoring plans articulating the strategic vision of the Trust from both an educational and business perspective and ensuring these are financially viable.
- To monitor the effectiveness of the support arrangements to ensure satisfaction with the level of service and that they represent value for money.
- Being responsible for school improvement performance of schools within the Trust with appropriate rigor and challenge to ensure high standards of achievement and attainment for all children.
- Appointing senior members of staff with the necessary skills and attributes and undertaking rigorous performance management of such staff to ensure they deliver an outstanding service to the Trust.
- To approve the Trust budget and ensure financial accountability to the Department for Education for all schools within the Trust.
- To monitor statutory educational and business compliance requirements.

The Trust Board has two committees; Challenge and Resources, which monitor these specific areas of Trust business in more depth. These committees report back to the Trust Board to ensure all Trustees are well informed.

Local Academy Committees

The Local Academy Committee is the local governance layer and is responsible for ensuring the implementation of the strategic direction of the Trust within their respective academy. It exercises its functions and powers by addressing such matters as:

- Monitor the progress of the attainment and progress of children within the academy with rigour and challenge.
- Being accountable for standards of teaching and learning, celebrating success and taking action at a local level to address any areas of underperformance.
- Approving and monitoring the self-evaluation form and school development plan, ensuring these are appropriately resourced.
- Ensuring the curriculum diet of the academy is broad and balanced and to monitor its effectiveness.
- Ensuring the academy is inclusive to all learners and other stakeholders.
- Working with the Headteacher and the Trust Finance team to ensure the allocated budget is monitored

AD ASTRA ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2023

Structure, governance and management (continued)

- effectively and meets the needs of all learners and the priorities identified in the school development plan.
- Monitoring the use of specific funds given to the academy to ensure this meets the purpose for which it has been given. To particularly monitor the use of Pupil Premium funding to ensure this is used effectively to narrow the gap between social disadvantage and attainment.
- Supporting the Headteacher in ensuring that the Trust school improvement and business support functions meet the needs of the school by delivering an effective, equitable and compliant service.

Trust Executive Team

The Trust Executive Team operates under the leadership and direction of the Chief Executive Officer, and comprises two School Improvement Leads and Chief Operating Officer. This team is responsible for the effective delivery of educational and business support functions across the Trust to support schools in raising standards and providing an excellent educational experience for all pupils. The Chief Operating Officer is supported by a wider Trust central team comprising HR, Finance and Estates staff as well as external IT support.

Headteacher Board

Headteacher Board meetings are in place to ensure communication from schools and Local Academy Committees is effective. It also supports in the preparation for Trust Board meetings, where the position of each school in terms of standards, HR and finance and compliance is discussed. It also provides the opportunity for Headteachers to give their views in terms of Trust operations to allow these to be fed into the Trust Board decision making process.

Senior Leadership Teams

At individual school level, the Senior Leadership Team is responsible for the operational aspect of the strategic plan being locally responsible and accountable for.

- High standards of teaching and learning with a relentless focus on continuous school improvement.
- High levels of attainment and achievement for all pupils irrespective of their starting point.
- Effective safeguarding of pupils.
- Undertaking effective performance management to ensure all pupils attending Trust schools are taught by high quality staff who have high expectations and aspirations for the children they teach.
- Demonstrating strong leadership skills to ensure a highly motivated and supportive school culture that breeds success.
- Effective and efficient use of resources to support teaching and learning priorities.
- Compliance in all aspects of school policies and procedures, statutory and otherwise.

Setting of Pay and Remuneration for Key Management Personnel

Pay and remuneration for key management personnel is determined by the Trustees in line with:

- The National Agreement on Pay and Conditions of Service for Local Government Services (Green Book) and local job evaluation criteria and scoring in respect of support staff posts.
- School Teachers Pay and Conditions in respect of teaching and education roles.
- Local Authority Chief Officer Conditions of Service in respect of the Chief Executive Officer and Chief Operating Officer.

Trustees and local governors may claim expenses under Article 6.5 of the Articles of Association of Ad Astra Academy Trust which allows for the reimbursement of 'reasonable expenses properly incurred when acting on behalf of the Academy Trust.' This makes clear the ability to claim expenses is only in cases where a Trustee or Local Governor has incurred the expense while undertaking their governance role.

AD ASTRA ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the period	5
Full-time equivalent employee number	5

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	4
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £000

Total cost of facility time	4
Total pay bill	16,342
Percentage of total pay bill spent on facility time	0.02 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Connected Organisations, Including Related Party Relationships

Barnard Grove and West View Primary Schools work closely with a local community interest company called West View Project that provides alternative educational opportunities and youth services for children and young people. The schools procure the services of the Project to deliver a variety of specialist activities, including vulnerable pupil support and outdoor learning activities. The impact of using the services of West View Project has seen particular impact for working with our most vulnerable children and has seen positive improvements in behaviour and helped them to re-engage with learning. One Trustee of Ad Astra Academy Trust who is also the Chair of the Trust Board is also a member of the Board of Directors of West View Project. This interest has been declared openly and the Trustee concerned is not part of the school's decision-making process when considering the services of the West View Project.

R Priestman (Trustee and Vice-Chair of the Board until 28th April 2023), is practice manager of Davies Tracey Chartered Accountants & Business Advisors who provide internal audit services to the Trust. This interest has been declared openly to the Trust Board.

Further details are stated in note 27 to the Financial Statements.

AD ASTRA ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Engagement with Employees (including Disabled Persons)

The Trustees of Ad Astra Academy Trust expect that information regarding matters relating to staff, flow from the CEO and central team directly to employees, through the Headteacher via the bespoke communication arrangements in each school. The Trust employs a central HR Manager to manage and coordinate changes to contractual and policy information. Ad Astra Academy Trust has its own Trade Union recognition agreement and all proposed changes to employee contractual terms or HR policies which affect them, are formally consulted upon with the Trade Unions on behalf of all staff. Comments and suggested changes are taken into consideration through the consultation process and amended and included where appropriate. In addition, schools undertake 'staff voice' questionnaires where feedback on specific staff-related topics is gathered. Results are collated and analysed by Headteachers, and the results are used to direct future policy at each school. In addition, regular hub meetings take place with staff and senior and middle leaders where ideas and suggestions relating to education, pastoral care and curriculum provision are discussed and consulted upon from across all schools in the Trust. This helps to foster open and transparent dialogue between professionals and ensure that feedback can be provided and acted upon. These hub meetings also allow all staff to be aware of changes in performance requirements such as the treatment of educational data by the DfE and changes to the Ofsted inspection framework.

Disabled employees are treated equally in all aspects of their career development and continuous professional development. Recruitment practices are open, fair and transparent and adhere to the Ad Astra Academy Trust Safer Recruitment policy. Applications are welcomed from all candidates that can demonstrate they meet the requirements in the agreed person specification. Shortlisting is conducted without sight of personal information including disability. Recruitment records are kept for the required period of time and are subject to independent audit. Disabled people are able to work within Ad Astra Academy Trust schools successfully as a result of a number of building and site adaptations such as the installation of lifts, ramps and disabled toilets. Door widths are also adequate to enable wheelchair access to all main areas of the Trust estate. Where necessary further adaptations to the physical environment are undertaken as appropriate.

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

The principal 'customers' of Ad Astra Academy Trust, are the pupils (and their parents/carers) who attend the schools and benefit from the educational provision. Despite being primary aged children, schools consult with their pupils on a range of topics pertinent to them, such as their views on learning, communication, behaviour, uniform, homework and school meals. Parents are also asked about similar topics. These usually take the form of questionnaires, which are completed, collated and analysed at individual school level. The results are used to identify trends and determine future policy within each school. Overall feedback is provided to the Local Academy Committee in each school who hold the Headteacher to account for local school performance.

Ad Astra Academy Trust proactively makes efforts to ensure it fosters sound business relationships with its suppliers. The Trust strives to pay its suppliers within their business terms so that their cash flow is not adversely affected. Internal controls and financial processes are in place to ensure accurate payments are also made. Regular dialogue takes place with service suppliers to ensure the schools and central team achieve the best provision for the benefit of all pupils and staff, and these are formally reviewed periodically when contracts are due for renewal to ensure they remain fit for purpose.

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

Objectives and activities

Objects and aims

The principal object and activity of the charitable company is the operation of Ad Astra Academy Trust to provide education for students of different abilities between the ages of 2 and 11 years.

In accordance with the Articles of Association the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Trust, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the National Curriculum.

The main objectives of the Trust during the year ended 31 August 2023 are summarised below.

- Continue to support all our schools in their drive to ensure that children are supported to meet learning expectations.
- Support all our schools to aim towards an OFSTED grading of Outstanding.
- Ensure that leadership and the quality of teaching and learning is good or better in all our schools.
- Enable staff in our Trust to be innovative, lifelong learners and to work collaboratively.
Budget effectively, to build capacity within the Trust and to deploy our resources efficiently for the benefit of pupils and staff.
- Develop strong relationships between families, the community, and stakeholders.
Embed and evaluate the reviewed Trust governance arrangements to ensure all layers of governance are effective in the leadership of the organisation.
- Facilitate intelligent growth of the Trust to further strengthen the Trust's position in the academy marketplace.
- Work towards achieving the objectives of the strategic business plan for the Trust, clearly articulating activities that will drive the Trust forward and improve outcomes.

Objectives, strategies and activities

To support and complement the objectives above, the Trust devised five key values that were designed and approved during the period, they are as follows.

- **Support** - All employees, pupils and other stakeholders within the Trust will be given the support needed not only to achieve their ambitions but to enjoy and thrive within our Trust. We will enable and support children by removing barriers to their success.
- **Togetherness** - Togetherness is hugely important to us it unites us and provides a community of support and challenge. We have a genuine ambition to build something together.
- **Achieve** - Children are at the heart of everything we do, and pupil achievement is our primary focus.
- **Respect** - We operate in a culture of respect and integrity; qualities that make for a successful organisation. We value everyone in the Trust treating them with dignity.
- **Success** - A belief that every pupil matters and deserves the best education is what drives us.

Our strapline is "Working Together for Children" and our underlying mission statement is, 'to grow a strong', resilient and compliant Trust where the quality of education is excellent, by ensuring effective resources are in place, intelligent growth is applied, and talent management including succession planning and well-being are embedded, in order to be an organisation at the heart of the community with a reputation for improving schools to enhance children's outcomes and prospects.

Ad Astra Academy Trust believes that highly skilled and committed staff led by strong and effective leadership is the key to success for each school within the Trust. All schools have continued to work collaboratively to identify areas of good practice and to support each other. This has proved particularly successful with staff relishing the opportunity to look beyond the boundaries of their own school to identify innovative practices to transfer back into their own setting. The continued impact of this is apparent with a successful network and talent-pool of teachers

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

Objectives and activities (continued)

and leaders in place to provide inter-school moderation, peer-review opportunities, support and professional development.

- All schools have continued in their relentless focus to improve outcomes for all pupils regardless of their starting point. Improved standards of teaching and learning have been achieved by continuous review and analysis of pupil performance data. Regular pupil progress reviews inform this process; celebrating success and identifying where improvements can be made. Analysis of this work is shared and discussed with the Local Academy Committees of each school and also with Trustees so that they have an awareness of the work that is being undertaken to ensure each child is receiving the best education possible.
- The School Improvement team have worked relentlessly across all schools to provide support and challenge in terms of school improvement priorities. Although some turbulence has been experienced within the team with the Head of School Improvement leaving the organisation through ill-health. In April 2023, the appointment of a further School Improvement Lead in November 2022, has reinforced the School Improvement Team both in terms of capacity and expertise. Undertaking position statement and key priority meetings alongside school leadership teams, where they triangulate evidence from Headteachers, leaders, and teachers in relation to the priorities identified in the School Development Plan has ensured the Trust has a clear and robust picture of the performance of each school to enable resources to be directed to the areas of greatest need. They have also undertaken school improvement project work in areas specifically identified for development. In addition they have provided bespoke support to all staff where this has been requested both on a one to one basis, and in wider groups.
- Linked to the above, the revised School Improvement Strategy was approved during the period. This updated version articulates the Ad Astra model for school improvement to make the Trust approach clear to all stakeholders. A particular focus is on the 'Trust Dividend' which aims to identify the added value that schools can expect from being part of Ad Astra.
- Senior and Middle Leadership Teams in each school have worked collaboratively to determine a consistent approach to teaching and learning with cross-school moderation and learning forums proving particularly successful. All schools within the Trust have worked together towards embedding a transparent assessment system that is clear to all staff as well as understood by pupils and parents.
- A rigorous approach to performance management and professional development have been a common theme in all schools during the period. Ad Astra Academy Trust recognises that high quality teaching carried out by enthusiastic and committed staff is the key to success. All schools have continued to use rigorous performance management which breaks down the key elements of successful teaching and learning and staff are assessed accordingly.
- The Trustees continue to recognise that the key to allowing the educational experts to focus and deliver a high-quality pupil experience is to have an effective business leadership structure in place to deliver on all non-educational outcomes. The Trust has an established central Trust team including a CEO, two School Improvement Leads, Chief Operating Officer, Finance Manager, HR Manager and Estates Manager. In support of these leadership positions, a School Business Partner is in post to provide middle leadership capacity in driving the operational aspects of the business function forward. A further School Business Partner was recruited in August 2023 (starting in post during the next period) to further strengthen this team. Three Business Support Officer positions are within the central structure, which ensures support for schools at a transactional level. One such officer was successful in securing a position externally to the organisation and left at the end of the period. Efforts have continued to recruit into this position to ensure sufficient capacity within this team. An IT Managed Service Provider was formally appointed in June 2021, and this external team supports the delivery of IT support across the Trust, whilst also providing resilience. The Trustees also recognise that the central team needs to be further developed and strengthened in the future to provide an effective infrastructure to adequately support planned future expansion. With this in mind, the Trustees approved the addition of a HR Business Partner post onto the central team structure. Despite significant challenges in recruiting to this post over the last eighteen months, the Trust has been successful recently in recruiting to this position, although the role will commence in the next period. In terms of capacity within school improvement, the Trustees also approved the investment of additional resource in this area of the business, with the recruitment of Trust Subject Associates. This was an internal Trust recruitment

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

Objectives and activities (continued)

exercise to give the opportunity for aspirational teaching staff to undertake some Trust-wide activities within several specialist areas: English, maths, wider curriculum, inclusion and early years. Each Subject Associate will undertake 30 days of release time to work in a more strategic role in each of these key areas, reporting into the School Improvement Leads. Three out of the five posts were appointed to, and the successful candidates are due to commence their roles in the next period (September 2023). The two unfilled roles will be subject to further recruitment in the next period to ensure a full complement of Associates are in place. Finally, during the period the Trustees also approved the appointment for a permanent SEND specialist to join the central school improvement team. This recruitment exercise will take place in September 2023 with an anticipated start date of January 2024.

- Building capacity is intrinsically linked to expanding the number of schools within the Trust and therefore this continues to be a focus of the Trust strategic growth plan. During the period, significant work has been undertaken working with two federated schools in County Durham with a view to them joining Ad Astra in December 2023. This included a detailed due diligence exercise as well as working alongside the Executive Headteacher to complete the required legal documentation. The Trust has worked hard to provide a 'soft' induction to the staff, to help them access the benefits of joining Ad Astra as well as allowing them to understand Trust structures and procedures. As a Trust, this helps once the schools finally join the organisation. Further growth continues to be a focus; however, this is not a strategy that is taken lightly by the Trustees. Everyone involved in Ad Astra wants to expand but in an intelligent way that demonstrates a measured, prudent and professional approach. By doing so this will ensure that the schools that join Ad Astra Academy Trust do so in the knowledge that the organisation is prepared and structured to take on the intricacies of growing and developing a complex organisation. Ad Astra has taken advantage of the renewed energy in the academisation programme and has taken an active role in speaking to other schools, particularly in the Durham area, and supporting them in their initial journey in considering academy status.
- All schools have continued to work closely with families to ensure each child is given support to achieve their potential. Strong partnership working with outside agencies including social services and family support teams has continued and is seen as a strength by these organisations in their work to improve social outcomes for those involved. Enhanced social and pastoral care for families has been even more critical given the continued cost of living crisis.
- The Trust continued to work in professional partnership with an external governance support organisation, Berry Education, in order to not only deliver capacity for the central team in such a critical area, but also to ensure that the revised operational governance arrangements are well supported. Having an external organisation involved, has been extremely valuable in moderating and continually improving the Trust approach to governance.

The activities undertaken above to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 2 and 11 years.

Public benefit

The Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the Trust should undertake.

AD ASTRA ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

During the period Ad Astra Academy Trust has undergone a significant further period of development and has achieved the following:

- The Trust continues to review its Trust Board arrangements to ensure they meet the needs of the organisation. The Trustees further reviewed their existing membership skills and felt a Trustee with a legal background would be appropriate and as such appointed Craig Malarkey, a corporate lawyer on 22nd November 2022. During the period, there has been some turbulence within the Board membership. In April and May 2023 respectively, Ray Priestman and Garry Brown tendered their resignations. In addition, Ali Wilson also tendered her resignation in July 2023. However, the Trust has sourced and appointed three new Trustees to bring the Board up to its required nine members. The trustees approved their appointment in July 2023; however, they officially start their roles in early September given their need to undertake the required pre-appointment checks. The three new appointees are Mr. David New (chartered accountant), Mrs Emma Robins (Primary Headteacher in a school external to Ad Astra) and Mrs Joanne Dobson (Locality Director in the NHS).
- The Trust secured further Trust Capacity Funding of £162,023.01 during the period. While this grant funding will be spent in the next period it was awarded and accepted in July 2023. As intended, this funding will help Ad Astra to further develop its central team and the offer it can provide to existing as well as new schools looking to join the Trust. The majority of the funding is linked to increasing staffing capacity; covering the initial salary costs which will then be absorbed into the central budget, ensuring sustainability. Additional grant funding was awarded for IT developments, marketing and CPD. This was a welcome boost to the central budget within a very tight financial landscape for education.
- The Trust had three OfSTED inspections during the period. Firstly, Crooksbarrow Primary School received a 'requires improvement' outcome with the report published in September 2022. This was a disappointing outcome for the school and Trust, however intensive support has been put into place to ensure the school can improve this judgement at its next inspection. West View Primary received another 'good' outcome at their inspection in May 2023 as expected, and was a further assurance of the excellent provision that the school offers its pupils and families. Finally, Ayresome Primary School received a 'good' outcome after their inspection in July 2023. The latter was a fantastic outcome given the school had received three 'requires improvement' inspection judgements prior to them joining Ad Astra in January 2018.
- A professional partnership with Ward Hadaway law firm continued during the period. As the Trust has grown, so has the complexity of legal queries and so the partnership with Ward Hadaway provides Trustees and the central team the reassurance that our legal advice and guidance is resilient and meets the needs of the business.
- The CEO, supported by the central team, was delighted to be able deliver the annual Ad Astra conference for all schools in the Trust which took place in July 2023. This was a successful day with contributions from renowned speakers as well as the CEO himself, who provided an overview of the educational landscape and the Trust for all teaching as well as some support staff. Workshops on specific topics identified by schools were delivered by both internal and external staff. Feedback was very positive, and it provided a fantastic opportunity to be able to enjoy professional development with colleagues from across the organisation as well as showcase a positive image of the professionalism of the Trust to external guests.
- In terms of educational performance, Ad Astra has seen some further effective performance during the period. At Ayresome Primary School, there were some strong areas to celebrate in the data for 2022-23 such as 12% increases in Early Years scores and KS2 writing results. KS2 mathematics results went up by 16% on the previous year. The KS2 progress figures for writing and mathematics are in the top quintile in the country. At Barnard Grove Primary, their KS2 outcomes for 2022-23 were excellent, all well above national expectations and mathematics by 16%. Their writing and mathematics progress scores were in the top 40% in the country. The data at Brougham Primary from 2022-23 has demonstrated incredible improvements not just in Early Years and Phonics but in KS2 where their combined results are now above national having increased by 23% with progress scores for writing and mathematics in the top 40% in the country.

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

Strategic report (continued)

Achievements and performance (continued)

- Schools have continued to play a pivotal role in providing essential support for families during the period. The ongoing implications arising from communities living with increased cost of living crisis has seen schools have to manage increasingly complex caseloads including a rise in safeguarding issues. It would be inappropriate not to recognize the work and the commitment of staff across the Trust in navigating such difficult circumstances, notwithstanding the increased pressure for school recovery and improvement, which has placed a 'perfect storm' of demands on schools.
- The peer-review programme has continued, with staff from across Ad Astra undertaking visits to other schools, and welcoming others into their school to moderate schools' priorities and improvement plans. Schools find this approach very useful and it adds further evidence to demonstrate a commitment to continuous improvement.
- The Chief Operating Officer and the School Business Partner successfully completed the Foundation Contract Management CPD administered by the Cabinet Office. This was an online course designed to introduce procurement and contract management principles and was completed to further enhance and develop knowledge and expertise in this area.
- At the end of the period, Brougham Primary School suffered a devastating fire in the nursery area, which also had a negative physical impact on the remainder of the school. While this was the worst emergency that the Trust had suffered since its inception, this certainly tested the emergency arrangements as well as the resilience of the school and the Trust to respond to such a catastrophic event. Despite such significant challenges, the school was able to open to all children from reception to year 6 only one day later than expected and nursery children only two weeks later than planned (due to delays with temporary classrooms). Although noting this event within 'achievements', perhaps seems unconventional, the response to this was excellent and a brilliant example of our 'Trust Dividend' as well as the outstanding school leadership from Brougham Primary

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

Strategic report (continued)

Achievements and performance (continued)

Key performance indicators

Financial Performance

Figures pro-rata'd to a full academic year for comparison purposes.

Key Performance Indicator £'000	West View	West Park	Brougham	Rosebrook	Crooksbar	Ayresome	Barnard Grove	Sunnyside
Total income per pupil	5,910	4,502	6,081	5,734	4,491	6,106	5,232	9,050
Total GAG income per	4,191	3,566	4,478	4,085	3,539	4,672	4,159	4,678
Staff costs per pupil	4,135	3,769	4,877	4,797	3,749	4,752	4,679	7,457
Total costs per pupil	5,712	4,667	6,083	5,793	4,668	5,849	5,444	9,137
Staff costs as % of total	72.40%	80.75%	80.18%	82.80%	80.32%	81.24%	85.96%	81.62%
Staff costs as % of total	69.97%	83.71%	80.20%	83.66%	83.49%	77.82%	89.45%	82.40%
Pupil to teacher ratio	27.2	33.7	20.6	22.8	25.8	20.9	25.9	18.9
Net current assets /	21.34%	2.85%	6.52%	13.67%	-1.02%	21.54%	1.23%	17.85%
Ofsted rating	Good	Good	Good	Good	Requires Improvement	Good	Good	Requires Improvement

The above KPI's come directly from the management accounts of the Trust, these may categorise items of income and expenditure differently to the statutory accounts.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Educational Performance

Ad Astra Academy Trust Published Data Summer 2023		NA 2023 (2022*)								
			Ayresome	Barnard Grove	Brougham	Crooksbar	Rosebrook	Sunnyside	West Park	West View
1	Good Level Development	65%*	45%	61%	67%	69%	58%	57%	80%	60%
2	Year 1 Phonics Screening Check	75%*	58%	78%	84%	75%	76%	77%	84%	86%
3	KS1 Reading – Expected Standard	67%*	48%	63%	56%	77%	56%	61%	87%	63%
4	KS1 Writing – Expected Standard	58%*	39%	44%	49%	72%	39%	52%	76%	54%
5	KS1 Mathematics – Expected Standard	68%*	54%	61%	56%	72%	51%	70%	84%	67%
6	KS2 GPS - Expected Standard	72%	47%	72%	61%	76%	59%	44%	86%	63%
7	KS2 Reading - Expected Standard	73%	40%	80%	68%	84%	61%	40%	77%	61%
8	KS2 Writing – Expected Standard	71%	58%	74%	71%	81%	63%	52%	80%	71%
9	KS2 Mathematics - Expected Standard	73%	61%	89%	71%	76%	44%	46%	82%	66%
10	KS2 RWM Combined – Exp. Standard	59%	35%	67%	63%	68%	37%	33%	70%	58%
11	KS2 Reading Progress	0	0.36	-0.69	-0.09	2.56	-0.67	-4.39	-0.93	-1.06
12	KS2 Writing Progress	0	3.85	0.41	1.15	0.90	1.08	-3.26	1.31	1.73
13	KS2 Mathematics Progress	0	2.10	0.19	0.16	-0.32	-2.88	-2.61	-0.65	-0.03

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

Strategic report (continued)

Achievements and performance (continued)

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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 accounting policies.

Promoting the success of the company

The Trust Board, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Trust for the benefit of its members, its pupils, its staff and the wider community and in doing so have regard to a range of matters when making decisions. Key decisions and matters that are of strategic importance to the Trust are appropriately informed by s172 factors.

The Trust Board makes decisions with a long-term view in mind and with the highest standards of conduct. Where possible, decisions are discussed with the affected groups and therefore fully understood and supported when taken. Reports are regularly made to the Board from the Chief Executive Officer about the Trust and the strategy and key performance decisions which are made. Regular reporting enables the Trust Board to stay in touch and make the decisions with the best interests of the Trust in mind. In addition, the Trust Board contains members from many interested areas including professional educators and the local business community so that their views are constantly considered when long term decisions are made.

The Trust Board are aware of the impact their decisions may have on the wider community and hold our reputation to the highest standards, ensuring that the Trust is compliant with laws and regulations whilst delivering the best service education to our pupils and students. We engage with the DfE, the ESFA and the Regional Director throughout the year and keep up to date with government regulations ensuring that any changes are acted on swiftly. In addition, we have regular internal audits to ensure that the controls operating with the Trust are operating effectively. The Trust Board is updated on legal and regulatory requirements and any control deficiencies on a regular basis and takes these into accounts when considering future actions.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Financial review

Most of the Trust's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE/ESFA. In accordance with The Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102), such grants are shown in the Statement of Financial Activities as restricted income 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 concerned.

In addition, the schools within the Trust receive Early Years funding from the Local Authority based on numbers of pupils at key census times. This is received termly in arrears. A similar grant is received in respect of funding for two-year-old children, again based on pupil numbers. Although each school receive SEN funding via the ESFA, top-up funding is provided by the Local Authority for children where it has been assessed that their need is such that it warrants one to one support from a teaching assistant.

For the first time, the Trust met the eligibility criteria for School Condition Allocation (SCA) Funding, replacing Condition Improvement Funding (CIF), as in previous years. As of 31st August, the Trust received £299,000 to improve the condition and safety of the Trust estate.

The Trust was successful with one major funding bid during the 2022/23 period. A successful application was made to the DfE's Trust Capacity Fund (TCaF). The fund helps Trusts to develop their capacity and take on underperforming schools, particularly in education investment areas. A claim of £162,023.01 was approved in July 2023 which will allow the Trust to invest in central team capacity, IT capability, marketing and CPD during the next period.

During the year ended 31 August 2023, total expenditure of £21,840,000 exceeded recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year (before transfers and actuarial gains and excluding fixed asset funds) was £118,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives. The in-year surplus, excluding the pension reserve and restricted fixed asset funds, was £234,000.

At 31 August 2023 the net book value of fixed assets was £28,718,000 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The provisions of Financial Reporting Standard (FRS 102) have been applied in full in respect of the LGPS pension scheme, resulting in a deficit of £Nil recognised on the Balance Sheet.

The Trust held fund balances at 31 August 2023 of £31,868,000 comprising £30,362,000 of restricted funds, including £nil deficit on the pension reserves, and £1,506,000 of unrestricted funds. The total of restricted general funds, excluding pension reserves, plus unrestricted funds as at 31 August 2023 was £2,591,000.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Reserves policy

The Trust holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held to ensure that the objectives and strategic plan of the Trust can be delivered efficiently and effectively. The level of reserves is reviewed by the Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of an academy is reviewed by the Trustees on an annual basis.

Ad Astra Academy Trust expects all schools within the Trust to hold contingency reserves from their annual funding or other income to cover unforeseen items of expenditure that have not been budgeted for or to cover the cost of transitional arrangements arising from operational changes such as a one-off staffing re-structure.

All schools within the Trust are expected to hold a financial reserve to the value of 5.5% of their annual GAG. If schools already hold 5.5% of their current GAG value, they are required to maintain this reserve and annually reassess this in line with their annual GAG statement to ensure they continue to meet this reserves policy. Where schools do not currently hold 5.5% of their GAG in reserves, and it is apparent that meeting this reserves policy within one financial year is unrealistic and would have a negative effect on the operation of the schools, they are afforded some flexibility to help support them to reach this target. In these circumstances, schools will be expected to reach a reserve level of 5.5% of their GAG within five years of their conversion or transfer into the Trust. Trustees will consider and, where appropriate, make allowances for exceptional circumstances where meeting this reserves policy will have a serious and detrimental effect on the school and its performance outcomes.

Schools will be required to annually assess their current reserve against this target (taking into consideration any changes to the GAG each year) calculate the differential and then factor this requirement into their annual budget planning process until they have reached the 5.5% requirement of this policy. As an example, if a school currently holds 4% of the value of their GAG in reserves they will be required to increase this by 1.5% to reach the 5.5% within five years. Some schools might be able to reach this within year two and in this scenario after year two they will only be required to maintain this in line with any GAG value changes. However, some schools may only be able to increase this by (subject to major fluctuations in the GAG) the value equivalent to 0.3% each year until they reach the expected level of reserve.

In order to ensure robust plans are in place to secure this level of reserve, Trustees will not grant final approval to budgets that do not take into consideration the requirements of this policy. Monitoring the level of reserves will also be a key performance indicator for the Trust going forward. Schools who are struggling to meet their reserve target will be offered more intensive support from the Trust Finance Manager.

In some circumstances a school may be required to use some of their reserves for the very reason that this policy is in place, such as the need to meet the cost of an unforeseen item of expenditure or to meet a statutory obligation that cannot be realistically covered within the planned budget. In this scenario schools will be required to revise their plans to meet this reserves policy taking into consideration the need to replace the reserves they have used. However, the Trust will ensure that in these circumstances no school is affected to the detriment of its performance or effective operation and the Trustees have the right to use the reserves of other schools to support in such circumstances. In cases such as this, more intensive financial planning support would be provided by the Trust to help determine the most appropriate way of reaching the requirement of this policy. Trustees will be required to approve recovery plans of this nature.

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in fixed assets and restricted funds).

The Trust's current level of free reserves is in surplus by £1,506,000. The Trustees continue to consider additional activities related to the Trust's objectives to which the excess reserves may be applied including:

- Development of the Trust estate to meet the needs of the children.
- Targeted support for specific school improvement needs that are additional to normal, on-going commitments.

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

- Effectively and efficiently manage any changes to Trust staffing structures.
- Building capacity within the Trust to facilitate future growth.
- Provide temporary resilience against immediate and significant cost pressures that cannot be met from existing budgets and are unavoidable e.g. energy price rises. Reserves will only be used to afford the Trust and the schools time to readjust their expenditure profile in line with income streams and are not to be used to fund recurring costs.

Investment policy

The Trust can invest surplus funds through money market accounts and during the period have invested up to £1.6 million (as at 31st August 2023), in a higher-interest Lloyds bank 32-day notice account. Interest rates are reviewed prior to each investment. During the period, trustees reviewed this investment policy and decided to retain the existing approach in terms of the length of the notice period. This policy maximises investment return whilst minimising risks to the principal sum. The aim of the Trust is to spend the public monies with which we are entrusted for the direct education benefit of students as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good fund management to be used as and when circumstances allow.

Principal risks and uncertainties

The principal risks and uncertainties are centred on changes in the level of funding from the DfE/ESFA. In addition, the Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Trust Balance Sheet.

As normal, the Trustees have assessed the major risks, to which the Trust is exposed, in particular those relating specifically to teaching provision, facilities and other operational areas of the Trust and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to staffing, health and safety, pupil behaviour and school visits) and in relation to the control of finance. Where significant financial risk still remains, they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Trust has fully implemented the requirements of the Safer Recruitment procedures and all relevant staff have received training in this area in addition to training in Safeguarding.

The Trust is subject to a number of risks and uncertainties in common with other academies. The Trust has in place procedures to identify and mitigate financial risks.

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TRUSTEES' REPORT (CONTINUED)
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Fundraising

The schools within Ad Astra Academy Trust do normally engage in fundraising activities throughout the year for a variety of reasons. These include:

- Raising money for established national charities such as Children in Need and Comic Relief as well as smaller, local charities in the community. In these circumstances, schools simply act as an agent, with the amount raised going directly to the charity in question.
- Raising money for equipment and resources for the school, often in conjunction with parent associations and support groups.
- Requests for donations to support the costs of educational visits.

The current cost of living crisis has meant that levels of fundraising have been limited during the period, due to the fact that parents may not have the income to support fundraising initiatives. The schools appreciate the negative impact that the current cost of living crisis has had (and continues to have), on levels of parental income and do not wish to place any additional financial strain on families.

The schools within the Trust do not engage with professional fundraisers to act on their behalf, and do not employ fundraising tactics that could be deemed to be unreasonably intrusive or persistent. It is always made clear and is written in the Charging and Remissions Policy, that any requests for donations are made entirely on a voluntary basis and that no child will suffer any detriment should parents or carers fail to make a donation. Fundraising activities are often advertised via letters home, school social media pages, newsletters and text messages. During the period there have been no formal complaints received by the Trust in relation to its fundraising activities or that of its schools.

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

Streamlined energy and carbon reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022

	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	2,794,380	2,685,334
Energy consumption breakdown (kWh):		
Gas	2,036,923	1,943,807
Electricity	740,739	735,074
Transport fuel	16,718	6,780
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	371.86	354.82
Owned transport	1.18	0.67
Total scope 1	373.04	355.49
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	153.39	142.45
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	3.10	1.62
Total gross emissions (in tonnes of CO2 equivalent):	529.53	499.56
 Intensity ratio	 0.159066	 0.146689

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- Rewire undertaken at Ayresome Primary School (Completed August 2023).
- Rewire planned for this year at West View Primary School (Commencing October 2023).
- Phased introduction of LED lighting to replace inefficient halogen lighting across the trust schools. (Ongoing)
- Replacement of inefficient projectors with new touchscreen installations. (Ongoing)
- Introduced virtual meetings where possible to reduce employee travel if deemed unnecessary.
- Where possible, staff car share to reduce overall vehicle mileage.

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TRUSTEES' REPORT (CONTINUED)
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Plans for future periods

The Trustees continue to hold the CEO to account for the Trust strategic plan which identifies future Trust growth and development as a priority moving forward. The approval of sponsorship status in July 2015 has given the Trustees the ability to allow schools who require additional support in order to achieve a good or outstanding OfSTED grade to join the Trust. This has opened up the availability of market share substantially which will provide increased opportunities for growth. Taking this into consideration, the broad strategic objectives of the Trust are:

- To deliver on the key priorities and projects identified in the Strategic Business Plan that was agreed by Trustees during the period, including to continue with Trust growth over the next year.
- To further strengthen the central Trust team of staff to provide additional skills and expertise to critical areas of the business, particularly in the areas of HR, safeguarding, SEND and business support. This will also enhance to the reputation of Ad Astra Academy Trust to prospective schools.
- To develop and embed a Trust Estates Strategy that sets out our approach to the development and maintenance of the estate in line with the confirmed formulaic School Capital Allocation funding.
- To further promote the 'we are one' identity and ensure all stakeholders subscribe to this and identify with shared Trust values.
- To ensure that the school improvement strategy is embedded across the Trust and all schools are committed to the delivery of a shared educational vision that is underpinned by best practice from across the sector.
- To review and evaluate the Trust people strategy that is in place to ensure Ad Astra attracts the best talent into the organisation.
- To develop and embed the partnership with our new safeguarding professional partner, Clennell Safeguarding Solutions to ensure a continued emphasis on having a strong safeguarding culture that prioritises the safety, welfare and happiness of children. Having this partnership in place will further strengthen the safeguarding culture across the Trust and demonstrate a robust approach to this key strategic responsibility.

Funds held as custodian on behalf of others

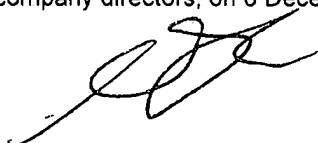
During the period, Ad Astra Academy Trust has not held any funds as a custodian Trustee on behalf of others.

Auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are 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 8 December 2023 and signed on its behalf by:



C J Simmons
Chair

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Ad Astra Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C J Simmons, Chair of Trustees	6	6
R Priestman, Vice Chair of Trustees (resigned 28 April 2023)	4	4
R C Broad	6	6
A A Brown OBE, Chief Executive Officer and Accounting Officer	6	6
G Brown (resigned 4 May 2023)	3	4
J Dobson (appointed 19 September 2023)	0	0
J G Maddison	6	6
C Malarkey (appointed 3 November 2022)	4	4
D New (appointed 23 September 2023)	0	0
E Robins (appointed 1 September 2023)	0	0
M Tilling	5	6
A Wilson (resigned 21 July 2023)	5	6

The governance structure has seen some turbulence during the period, with three resignations. However, the Trustees have been proactive in reviewing the Trust Board composition and establishing the required skillset for replacement Trustees. This resulted in three replacement appointments during the period, which have brought superb skills and experience in the areas of educational leadership, finance and governance.

The Trust continues to work collaboratively to establish a board which now has a range of skills and expertise in areas such as finance, leadership, business, governance, education and social care to ensure an effective Trust that clearly understands its responsibilities and accountabilities.

The Trustees currently operate two layers of governance at board level. All Trustees consider each area of Trust operations as a collective body aided by the two Trust committees; Resources and Challenge.

During the period, face to face meetings have taken place, however there was also the option to meet virtually. This hybrid arrangement has been very effective in making meetings accessible and resulted in Trustees being able to attend meetings more conveniently. The central team and Berry Education continued to provide suggested agendas and worked with the Chair of the Trust Board and CEO, and the respective Chairs and Headteachers of schools as appropriate, to ensure the annual governance requirements were met. Where possible papers were sent in good time and always in advance of the meeting to allow sufficient reading time and thus make meetings more effective and efficient. Supporting papers and reports have been refined over time

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

often in a consistent format (especially at Trust Board level and Headteacher's Reports to the Local Academy Committee), and this assists those involved with governance in giving the appropriate information to be able to offer effective challenge and support. All meetings were minuted by the Trust or Berry Education and appropriate records kept.

Conflicts of interest have been managed effectively, not only through the annual declaration of business and pecuniary interests process (and the associated responsibility on every Trustee to keep this up to date), but also the opportunity to declare any interests at the beginning of every Board and Committee meeting. These have been appropriately minuted at each meeting to ensure any potential conflicts of interests are transparent and managed accordingly. Should a conflict arise, the affected Trustee or member of the Trust central team is required to remove themselves from the discussion and any potential decision.

Resources Committee

The Resources Committee remit is to monitor in more detail areas of the business not relating to school improvement such as finance, HR, Estates and IT, and report back to the Trust Board. This committee also acts as the Trust audit committee.

Trustee	Meetings attended	Out of a possible
R Priestman, Chair of Resources Committee (until resignation with effect from 27/04/2023)	2	3
A Wilson, Chair of Resources Committee from 28/04/2023	3	3
C J Simmons, Chair of Trustees	3	3
A A Brown OBE, Chief Executive Officer and Accounting Officer	3	3
R C Broad (appointed to the Committee for summer term 2023)	1	1
J Maddison	2	3
G Brown (until resignation from 04/05/2023)	1	3

Challenge Committee

The Challenge Committee remit is to monitor in more detail areas relating to school improvement, standards and safeguarding and report back to the Trust Board.

M Tilling, Chair of Challenge Committee	3	3
C J Simmons, Chair of Trustees	2	3
A A Brown OBE, Chief Executive Officer and Accounting Officer	3	3
R Broad	3	3
C Malarkey	1	3

Review of value for money

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

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

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- Schools within Ad Astra Academy Trust continue to deliver strong educational and pastoral outcomes despite significant social pressures, difficulties with recruitment in some areas and an expectation of normality in terms of the educational landscape. Despite some schools being socially diverse they have embraced the value of togetherness; Collaboration at senior and middle leadership as well at classroom teacher level continues to be the strength of Ad Astra, bringing significant benefits in terms of moderation and sharing good practice. Peer review opportunities have also resumed and this has been very effective in moderating school performance and practice.
- The Trust maintains a consistent approach to assessment and data management as well as the presentation of key principles and school documentation such as the school development plan and self-evaluation form has been invaluable in bringing the schools together as one. Professional dialogue and debate allow internal and external stakeholders to effectively analyse key performance indicators and performance. In turn this ensures that performance is at the heart of every layer of the Trust from Trustees to operational staff delivering the business.
- Centralisation of business support functions continues to allow the leadership teams within each school to focus on educational priorities and outcomes rather than being distracted by finance, governance, estates, IT, HR and policy development. This has been further supported by the professional partnership with Berry Education for governance support. While the Headteachers within each school remain very involved in these aspects: the focus has changed from operational involvement to being briefed from senior business support staff. The impact of the central Trust team has been acknowledged in previous OfSTED inspections that have taken place.
- The use of remote meeting technology has resulted in a more resource efficient way of conducting formal and informal communication and meetings, which has also had the effect of a significant reduction in travelling time. The latter has further contributed to time efficiencies, but also a reduction in mileage costs and an improvement in the environmental impact that car travel has. Overall, staff have reported a continuation in the ability to achieve more in terms of workload. The Trust has also seen an increase in attendance at virtual meetings due to the more efficient nature of delivery.
- Financial processing efficiencies have continued to be felt by the central finance team during the period, who have embedded electronic methods in transactional finance. This has resulted in effective remote working without compromising the integrity of the financial procedures and internal controls in place. These have proved to be more efficient in terms of time savings and physical resources.
- Ad Astra is a founding member of the Allied group, which is a collaborative alliance of Tees Valley based Multi Academy Trusts. This network seeks to provide a supportive mechanism for Chief Executive Officers to share best practice and learn from each other.
- The benefits from the external managed service IT contract continues to be effective, with a wide area of expertise within the team and the ability to deploy this where necessary. Trying to achieve a similar level of coverage would be very expensive for the Trust to do internally and so this represents significant value for money.
- Along similar lines, the benefits from the external professional partnership with Berry Education became apparent during the summer term, with their expertise and knowledge, not only supporting the operational aspects of governance and therefore providing capacity, but also in their ability to scrutinise governance policy and practice and identify ways in which Ad Astra can continually improve.
- North Yorkshire County Council continue to deliver health and safety advice and inspection services (including educational visits), during the period as well as acting as our 'competent person' under the Health and Safety at Work Act. Outsourcing this service provides the Trustees and the central team with an independent and objective opinion on the standard of health and safety across the Trust and identifies areas for action to improve the physical estate as well as policies and processes to facilitate a healthy and safe environment for all Trust stakeholders. The size of the team at North Yorkshire means that the service is resilient and can offer value for money in comparison to the level of investment that would be needed to offer an equivalent service internally.
- During the period, the Trust central business team have been working on a proposal for the effective allocation of School Condition Allocation (SCA) funding since the ending of CIF, for formal Trustee approval in the next period. This proposal is intrinsically linked to the development of the Trust Estates Strategy (in

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

line with the DfE's 'Good Estates Management for Schools guidance), to ensure a consistent and measured approach to the development of the overall Trust Estate. This will ensure that there is an effective and transparent strategic approach to the deployment of capital funds. To inform this process, a series of condition surveys were undertaken to ensure this process is well-informed regarding the condition needs of the estate.

- During the period a Trust-wide procurement for MFDs (Multi-Function Devices - printing), was undertaken using a DfE procurement framework, resulting in new, more efficient machines deployed into all Trust schools and the central office with an overall saving of over £23,000 based on a three-year contract. This saving was despite some schools having additional machines where need dictated this was necessary.
- The Trust continues to identify ways in which cashable and non-cashable efficiencies can be made. Consistency in terms of Trust approaches to school improvement and business support functions continues to highlight more efficient ways of working. These are often defined via a collegiate approach to this where Headteachers and the central team work together on a policy, procedure or strategy which aligns stakeholder views. This result of this is increased 'buy-in' from all concerned.

Income Generation

The Trust continues to seek opportunities to maximise income into the Trust. Particularly in schools where social deprivation factors are high, there has been a significant amount of work undertaken to ensure that families that are entitled to free school meals actually apply for them so that the school can ensure that the correct level of funding is received. This is especially important not only for pupil premium funding but also for other funding factors that rely on free school meal data in their calculation. Following the introduction of the universal free school meal scheme for reception and key stage one children, some families have been unaware of the financial impact that not applying for free school meals can have on their child's school. By ensuring that correct data is recorded has meant that the schools can feel confident they are receiving the correct level of funding for their need.

In addition to these larger income generation opportunities, the following smaller income streams were received into the Trust during the period:

- £6,282 was received from SHINE which is an educational charity that works with teachers, schools and other organisations, helping disadvantaged children in the North of England to fulfil their true potential. The grant has funded release time for a teacher in each of our schools, course fees, reporting software and classroom resources.
- West View and Barnard Grove Primary Schools have been successful in bids to Active Partnership's Opening School Facilities funding initiatives. The Active Partnerships across England have been working locally with schools to identify the areas of greatest need. Locations will be targeted where health and social inequalities exist, enabling better access to physical activity opportunities for those who find it more challenging to be active. Barnard Grove secured £12,706 and West View were awarded £13,333. Funding has been used to purchase sports equipment, bikes, outdoor storage and gymnasium / fitness equipment.
- Ayresome Primary School have received £3,730 from local businesses and community groups as they look to create warm hub facilities and initiatives which included £2,500 from North Star Housing. The funding has been used to enable parents to come together with their children after school three days a week. A range of activities will be available for both children and parents to help them cope with the cost of living crisis.
- West View Primary School received £2,000 from the Reece Foundation which aims to promote manufacturing and support education relating to engineering, maths and physics. The school used the funding to introduce pupils to robotics with the aim of developing teamwork, collaboration and critical thinking. West Park, Crooksbar and Sunnyside Academy also received funding to support similar initiatives with over £1,000 received between the 3 schools to support Science, Technology, Engineering and Maths (STEM).
- Several schools in the Trust were successful in receiving financial grants in recognition of their work supporting university students undertaking teacher training. Crooksbar Primary received £500 from

AD ASTRA ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Sunderland University whilst Brougham Primary School received £530 from Durham University and West Park Primary School received £720. Rosebrook Primary received £2,084 from the SCITT programme, West Park received £792 and Ayresome received £2,084.

- West View Primary School also received income streams from the delivery of sporting activities. They received £2,500 as their Extended Schools Manager undertook the role of School Sports Coordinator.
- Ayresome Primary School were also able to receive support for the delivery of their breakfast club having received £1,085 from Greggs. Brougham also received £540 worth of funding and West View received £1,285.
- Rosebrook generated £28,650 linked to the secondment of a senior staff member to the Local Authority whereas Sunnyside seen income come in totaling £27,092 for the secondment of specialist staff who were able to support children in Middlesbrough.

A number of schools were able to generate additional income whilst hiring out their halls and other facilities to groups within their local communities. Ayresome received £1,400 for hall hire to provide holiday activities and food programmes during the summer holidays, West Park received £945 for hiring their hall to a local boy scout group as well as letting their Multi-Use Games Area for sports sessions. West View generated £4,694 for hiring out their sports hall and multi-use games area to local football and rugby clubs, Sunnyside received £719 for hall lettings which included a local Brownies group and for use as a polling station whilst Rosebrook received £2,640 for hiring their hall to local church groups.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Ad Astra Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to employ Davies Tracey (Chartered Accountants and Business Advisers) as internal auditor.

AD ASTRA ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

Davies Tracey's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of purchase and procurement systems
- Testing of income systems
- Testing of control account/bank reconciliations
- Testing of business risk

On a periodic basis, the internal auditor reports to the Board of Trustees through the Resources and Compliance Committee committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditors have delivered their schedule of work as planned and no material control issues have arisen as a result of their work.

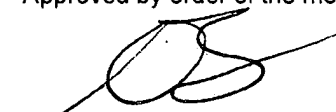
Review of effectiveness


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

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

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

Approved by order of the members of the Board of Trustees on 8 December 2023 and signed on their behalf by:


C J Simmons
Chair


A A Brown OBE
Accounting Officer

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



A A Brown OBE
Accounting Officer
Date: 8 December 2023

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2023

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

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

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

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

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

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

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



C J Simmons

Chair

Date: 8 December 2023

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of Ad Astra Academy Trust (the 'Trust') for the period ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

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

Use of our report

This report is made solely to the 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 Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Kevin Shotton BA BFP FCA (Senior Statutory Auditor)
for and on behalf of
Clive Owen LLP
Chartered Accountants & Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date:

8/12/23

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ad Astra Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Ad Astra Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Ad Astra Academy Trust's funding agreement with the Secretary of State for Education dated 22 December 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meetings held; and
- Review whether there is a risk register in place.

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

Conclusion

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



Clive Owen LLP
Reporting Accountant

140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date:

8/12/23

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Acquisition of existing academy		-	-	-	-	1,510
Other donations and capital grants		47	-	489	536	293
Other trading activities	5	298	-	-	298	328
Investments	6	18	-	-	18	-
Charitable activities		201	20,392	-	20,593	18,577
Total income		564	20,392	489	21,445	20,708
Expenditure on:						
Charitable activities	8	325	20,749	766	21,840	20,294
Total expenditure		325	20,749	766	21,840	20,294
Net income/ (expenditure)		239	(357)	(277)	(395)	414
Transfers between funds	18	-	(244)	244	-	-
Net movement in funds before other recognised gains/(losses)		239	(601)	(33)	(395)	414
Other recognised gains/(losses):						
Actuarial (losses)/gains on defined benefit pension schemes	26	-	4,124	-	4,124	15,525
Asset ceiling restriction		-	(3,374)	-	(3,374)	-
Net movement in funds		239	149	(33)	355	15,939
Reconciliation of funds:						
Total funds brought forward		1,267	936	29,310	31,513	15,574
Net movement in funds		239	149	(33)	355	15,939
Total funds carried forward		1,506	1,085	29,277	31,868	31,513

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 09308398

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	28,718	28,788
		<u>28,718</u>	<u>28,788</u>
Current assets			
Debtors	15	1,531	2,832
Cash at bank and in hand		3,172	1,657
		<u>4,703</u>	<u>4,489</u>
Creditors: amounts falling due within one year	16	(1,445)	(1,272)
Net current assets		<u>3,258</u>	<u>3,217</u>
Total assets less current liabilities		<u>31,976</u>	<u>32,005</u>
Creditors: amounts falling due after more than one year	17	(108)	(94)
Net assets excluding pension asset / liability		<u>31,868</u>	<u>31,911</u>
Defined benefit pension scheme asset / liability	26	-	(398)
Total net assets		<u><u>31,868</u></u>	<u><u>31,513</u></u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	18	29,277	29,310
Restricted income funds	18	1,085	1,334
		<u>30,362</u>	<u>30,644</u>
Restricted funds excluding pension asset	18	30,362	30,644
Pension reserve	18	-	(398)
Total restricted funds	18	<u>30,362</u>	<u>30,246</u>
Unrestricted income funds	18	1,506	1,267
Total funds		<u><u>31,868</u></u>	<u><u>31,513</u></u>

The financial statements on pages 37 to 71 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

C J Simmons
Chair
Date: 8 December 2023



AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	1,707	216
Cash flows from investing activities	22	(172)	166
Cash flows from financing activities	21	(20)	(26)
Change in cash and cash equivalents in the period		1,515	356
Cash and cash equivalents at the beginning of the period		1,657	1,301
Cash and cash equivalents at the end of the period	23, 24	<u>3,172</u>	<u>1,657</u>

AD ASTRA ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Fund accounting

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

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

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

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

1.3 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable 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 incorporating Income and Expenditure Account 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 entitlement 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.

• **Donations**

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

• **Other income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

AD ASTRA ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.4 Expenditure

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

• Charitable activities

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

All expenditure is inclusive of irrecoverable VAT.

1.5 Going concern

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

1.6 Tangible fixed assets

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold property	- over 50 years
Long leasehold land	- over 125 years
Computer equipment	- over 3 years
Furniture and equipment	- over 5 years
Motor vehicles	- over 5 years

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

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.8 Interest receivable

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

1.9 Taxation

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

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

1.10 Debtors

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

1.11 Cash at bank and in hand

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

AD ASTRA ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.12 Liabilities and provisions

Liabilities and provisions 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 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.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

AD ASTRA ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Pensions

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

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

AD ASTRA ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability. In the current year the actuary has made assumptions to estimate the liability associated with McCloud Sargeant (McCloud) and GMP Indexation and Equalisation (GMP).

The actuary has advised that you have an LGPS asset. As a result, a comparison of the future value of employer contributions in relation to future service costs (£4,228,000) has been compared to the future value of employer service costs (£4,519,000) to ascertain the value of the pension asset to the academy trust, in terms of potential reduction in future contributions (an asset ceiling calculation). As the former exceeds the latter, combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 no LGPS asset has been included with the financial statements.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £15,000 which has been assessed to be immaterial to the financial statements.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £766,000.

Critical areas of judgment:

Land – Land is held under a 125 year lease from Hartlepool Borough Council, Stockton Borough Council and Middlesbrough Borough Council. These assets are included on the balance sheet of the academy due to the significant risks and rewards of ownership belonging to the academy, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy could use them without major modification..

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Acquisition of existing academy	-	-	-	-	1,510
	-	-	-	-	1,510
Donations	47	-	-	47	10
Capital Grants	-	-	489	489	283
Subtotal	47	-	489	536	293
	47	-	489	536	1,803
Total 2022	215	(2,735)	4,323	1,803	

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

4. Funding for the Trust's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	14,048	14,048	13,445
Other DfE/ESFA grants				
Pupil Premium	-	1,901	1,901	1,706
PE and Sport Premium	-	152	152	142
UFSM	-	270	270	240
Rates	-	44	44	50
Teachers' pay grant	-	13	13	22
Teachers' pension grant	-	37	37	62
Other DfE Group grants	-	415	415	235
ESFA Supplementary Grant	-	470	470	178
	-	17,350	17,350	16,080
Other Government grants				
SEN	-	1,271	1,271	514
Early Years Funding	-	1,419	1,419	1,293
Local Authority grants	-	151	151	146
	-	2,841	2,841	1,953
Other income from the academy's academy's educational operations	201	-	201	210
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	201	201	334
	-	201	201	334
	201	20,392	20,593	18,577
	201	20,392	20,593	18,577
Total 2022	182	18,395	18,577	

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	43	43	-
Non student catering income	3	3	-
Rental and lettings income	18	18	12
Receipts from Supply Teachers Insurance claims	12	12	70
RPA Claims	2	2	33
Other income	220	220	213
	<u>298</u>	<u>298</u>	<u>328</u>
Total 2022	<u>328</u>	<u>328</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest	18	18	-
	<u>-</u>	<u>-</u>	
Total 2022	<u>-</u>	<u>-</u>	

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Trust's educational operations:					
Direct costs	15,248	-	1,071	16,319	15,379
Allocated support costs	1,491	1,894	2,136	5,521	4,915
	<u>16,739</u>	<u>1,894</u>	<u>3,207</u>	<u>21,840</u>	<u>20,294</u>
Total 2022	<u>15,774</u>	<u>1,576</u>	<u>2,944</u>	<u>20,294</u>	

In 2023, of the total expenditure, £325,000 (2022 - £274,000) was to unrestricted funds, £766,000 (2022 - £666,000) was to restricted fixed asset funds and £20,749,000 (2022 - £19,354,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable debts
- Cash losses

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Trust's educational operations	<u>16,319</u>	<u>5,521</u>	<u>21,840</u>	<u>20,294</u>
Total 2022	<u>15,379</u>	<u>4,915</u>	<u>20,294</u>	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	15,248	14,600
Educational supplies	631	421
Staff development	1	7
Technology costs	52	7
Educational consultancy	371	250
Staff expenses	4	5
Supply insurance	5	71
Transport	7	18
	<u>16,319</u>	<u>15,379</u>

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	Total funds 2022 £000
Net interest cost on pension scheme	24	225
Staff costs	1,491	1,174
Depreciation	766	666
Staff development	102	63
Technology costs	357	402
Staff expenses	34	6
Maintenance of premises	268	285
Cleaning	325	280
Other premises costs	194	158
Energy	403	267
Rent & rates	63	59
Insurance	70	58
Operating lease rentals	30	25
Catering	1,048	853
Legal costs - other	9	9
Security	10	11
Other costs	298	351
Governance costs	29	23
	<u>5,521</u>	<u>4,915</u>

9. Net income/(expenditure)

Net income/(expenditure) for the period includes:

	2023 £000	2022 £000
Operating lease rentals	30	40
Depreciation of tangible fixed assets	766	666
Fees paid to auditors for:		
- audit	17	16
- other services	2	1
	<u>815</u>	<u>723</u>

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

10. Staff

a. Staff costs

Staff costs during the period were as follows:

	2023 £000	2022 £000
Wages and salaries	12,317	10,854
Social security costs	1,215	1,051
Pension costs	2,892	3,651
	<hr/> 16,424	<hr/> 15,556
Supply costs	268	196
Staff restructuring costs	47	22
	<hr/> 16,739	<hr/> 15,774

Included within Operating costs of defined benefit pension schemes is a debit of £328,000 (2022: £1,417,000) in respect of the pension actuarial adjustment.

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments	47	22
	<hr/> 47	<hr/> 22

The academy trust paid 3 severance payments in the year. All payments were in the 0 - £25,000 band.

b. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £19,000 (2022: £8,000). These comprised of payments to 2 individuals with payments of £15,000 and £4,000 respectively.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

10. Staff (continued)

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	159	148
Admin & Support	281	264
Management	34	32
	<hr/> 474 <hr/>	<hr/> 444 <hr/>

AD ASTRA ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

10. Staff (continued)

d. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,001	9	6
In the band £70,001 - £80,000	5	4
In the band £80,001 - £90,000	3	1
In the band £90,001 - £100,000	1	-
	<u>18</u>	<u>11</u>

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. 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 £2,945,000 (2022 £2,346,000).

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

11. Central services

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

- Financial services
- IT
- HR
- Legal support services
- Educational support services
- Estates

The academy charges for these services on the following basis:

Based on flat 5.25% - 6.5% of recurring income.

The actual amounts charged during the period were as follows:

	2023 £000	2022 £000
West View Primary School	151	146
West Park Primary School	80	78
Brougham Primary School	115	116
Rosebrook Primary School	143	143
Crooksbarrow Primary School	85	72
Ayresome Primary School	271	289
Barnard Grove Primary School	101	102
Sunnyside Academy	114	43
Total	1,060	989

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £000	2022 £000
A A Brown (CEO and Trustee)	Remuneration	105 - 110	75 - 80

During the period ended 31 August 2023, expenses totalling £143 were reimbursed or paid directly to 1 Trustee (2022: £528).

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

13. Trustees' and Officers' insurance

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

14. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation					
At 1 September 2022	30,653	368	807	27	31,855
Additions	377	186	133	-	696
At 31 August 2023	31,030	554	940	27	32,551
Depreciation					
At 1 September 2022	2,281	220	543	23	3,067
Charge for the period	523	64	175	4	766
At 31 August 2023	2,804	284	718	27	3,833
Net book value					
At 31 August 2023	28,226	270	222	-	28,718
At 31 August 2022	28,372	148	264	4	28,788

15. Debtors

	2023 £000	2022 £000
Trade debtors	98	181
VAT repayable	214	470
Prepayments and accrued income	1,219	2,181
	1,531	2,832

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

16. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Other loans	8	8
Trade creditors	633	716
Other creditors	7	8
Accruals and deferred income	797	540
	<u>1,445</u>	<u>1,272</u>
	2023 £000	2022 £000
Deferred income		
Deferred income at 1 September 2022	207	176
Resources deferred during the period	445	207
Amounts released from previous periods	(207)	(176)
Deferred income at 31 August 2023	<u>445</u>	<u>207</u>

At the Balance Sheet date the Trust was holding funds of £445,000 received in advance for Conversion grants, UIFSM grant, SEN funding relating to the following academic year and School led tutoring clawback.

17. Creditors: Amounts falling due after more than one year

	2023 £000	2022 £000
Other loans	<u>108</u>	<u>94</u>

Other loans includes CIF loans totaling £116,000 (2022: £102,000) from the ESFA. CIF loans have an annual interest rate of 2.29% repayable through GAG over a 10 year period on a monthly basis.

AD ASTRA ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023**

18. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
Unrestricted income	1,267	564	(325)	-	-	1,506
Restricted general funds						
General Annual Grant (GAG)	1,334	14,048	(14,053)	(244)	-	1,085
Pupil Premium	-	1,901	(1,901)	-	-	-
Other DfE/ESFA grants	-	1,401	(1,401)	-	-	-
Covid-19 funding	-	201	(201)	-	-	-
Other Government grants	-	2,841	(2,841)	-	-	-
Pension reserve	(398)	-	(352)	-	750	-
	936	20,392	(20,749)	(244)	750	1,085
Restricted fixed asset funds						
Legacy assets	26,198	-	(492)	-	-	25,706
Devolved Formula Capital	253	223	(65)	-	-	411
GAG capital expenditure	613	-	(106)	224	-	731
Sports England	12	-	-	-	-	12
CIF funding	2,038	(33)	(39)	20	-	1,986
Sunshine Coaches/Variety club	6	-	(2)	-	-	4
Other restricted and donations	5	-	-	-	-	5
Donations	1	-	-	-	-	1
Other DfE	184	-	(62)	-	-	122
School condition allocation	-	299	-	-	-	299
	29,310	489	(766)	244	-	29,277
Total Restricted funds	30,246	20,881	(21,515)	-	750	30,362

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

18. Statement of funds (continued)

Total funds	31,513	21,445	(21,840)	-	750	31,868
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The specific purposes for which the funds are to be applied are as follows:

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant, Supplementary grant and MSA Grant.

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 26.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

A transfer of £224,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
Unrestricted income	816	725	(274)	-	-	1,267
Restricted general funds						
General Annual Grant (GAG)	494	13,764	(12,762)	(162)	-	1,334
Pupil Premium	-	1,706	(1,706)	-	-	-
Other DfE/ESFA grants	-	929	(929)	-	-	-
Covid-19 funding	-	334	(334)	-	-	-
SEN	-	514	(514)	-	-	-
Other Government grants	-	1,439	(1,439)	-	-	-
Other grants	-	28	(28)	-	-	-
Pension reserve	(11,227)	(3,054)	(1,642)	-	15,525	(398)
	(10,733)	15,660	(19,354)	(162)	15,525	936
Restricted fixed asset funds						
Legacy assets	23,064	3,586	(452)	-	-	26,198
Devolved Formula Capital	235	68	(50)	-	-	253
GAG capital expenditure	172	351	(72)	162	-	613
Academy Conversion Grant	1	-	(1)	-	-	-
Sports England	15	-	(3)	-	-	12
CIF funding	1,847	215	(24)	-	-	2,038
Awards for all	1	-	(1)	-	-	-
Sunshine Coaches/Variety club	6	-	-	-	-	6
Other restricted and donations	-	5	-	-	-	5
Donations	2	-	(1)	-	-	1
Other DfE	148	98	(62)	-	-	184
	25,491	4,323	(666)	162	-	29,310
Total Restricted funds	14,758	19,983	(20,020)	-	15,525	30,246
Total funds	15,574	20,708	(20,294)	-	15,525	31,513

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
West View Primary School	596	505
West Park Primary School	43	106
Brougham Primary School	127	135
Rosebrook Primary School	375	404
Crooksbarrow Primary School	(20)	42
Ayresome Primary School	913	748
Barnard Grove Primary School	22	94
Sunnyside Academy	485	509
Central	50	58
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,591	2,601
Restricted fixed asset fund	29,277	29,310
Pension reserve	-	(398)
	<hr/>	<hr/>
Total	31,868	31,513
	<hr/> <hr/>	<hr/> <hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £000
Crooksbar Primary School	(20)

Crooksbar have reported a deficit at the end of 2022/23 which was expected. Following the school's disappointing OfSTED inspection in September 2022, the Trust has worked with the school to make the required improvements and have invested to improve resources and increase staffing to appropriate levels. Major investment has been made in the building to make this fit for purpose which enabled the school to increase the number of pupils in Key Stage 1.

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

It is expected that the deficit will worsen during 2023/24 and Trustees are supportive of this as it is essential that these improvements are made. Medium term financial projections are more positive, partly due to a projected increase in overall pupil numbers and the Trust are satisfied that this will not impact on the Trust financially with overall reserves being strong

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
West View Primary School	1,846	96	151	629	2,722	2,486
West Park Primary School	1,262	109	61	273	1,705	1,572
Brougham Primary School	1,593	59	57	387	2,096	1,959
Rosebrook Primary School	2,150	129	82	455	2,816	2,594
Crooksbar Primary School	1,124	90	56	306	1,576	1,422
Ayresome Primary School	3,176	156	78	740	4,150	3,913
Barnard Grove Primary School	1,444	146	63	298	1,951	1,846
Sunnyside Academy	2,057	175	65	460	2,757	1,143
Central	600	415	18	405	1,438	2,693

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18. Statement of funds (continued)

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Academy	<u>15,252</u>	<u>1,375</u>	<u>631</u>	<u>3,953</u>	<u>21,211</u>	<u>19,628</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	28,718	28,718
Current assets	1,506	2,548	649	4,703
Creditors due within one year	-	(1,355)	(90)	(1,445)
Creditors due in more than one year	-	(108)	-	(108)
Total	1,506	1,085	29,277	31,868

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	28,788	28,788
Current assets	1,267	2,600	622	4,489
Creditors due within one year	-	(1,172)	(100)	(1,272)
Creditors due in more than one year	-	(94)	-	(94)
Provisions for liabilities and charges	-	(398)	-	(398)
Total	1,267	936	29,310	31,513

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2023 £000	2022 £000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(395)	414
Adjustments for:		
Depreciation	766	665
Capital grants from DfE and other capital income	(489)	(283)
Defined benefit pension scheme obligation inherited	-	3,054
Defined benefit pension scheme cost less contributions payable	328	1,417
Defined benefit pension scheme finance cost	24	225
Decrease/(increase) in debtors	1,301	(1,335)
Increase in creditors	172	623
Donated assets	-	(4,564)
Net cash provided by operating activities	1,707	216

21. Cash flows from financing activities

	2023 £000	2022 £000
Repayments of borrowing	(20)	(26)
Net cash used in financing activities	(20)	(26)

22. Cash flows from investing activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(696)	(392)
Capital grants from DfE Group	524	558
Net cash (used in)/provided by investing activities	(172)	166

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NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	1,572	1,256
Notice deposits (less than 3 months)	1,600	401
Total cash and cash equivalents	3,172	1,657

24. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	1,657	1,515	3,172
Debt due within 1 year	(8)	-	(8)
Debt due after 1 year	(94)	(14)	(108)
	1,555	1,501	3,056

25. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	247	233

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments

The academy'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 Middlesbrough Borough Council. 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 2022.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,757,000 (2022 - £1,569,000).

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2023 was £1,075,000 (2022 - £886,000), of which employer's contributions totalled £807,000 (2022 - £665,000) and employees' contributions totalled £268,000 (2022 - £221,000). The agreed contribution rates for future years are 17.5% for employers and 5.5 - 12.5% for employees.

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

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

The actuary has advised that you have an LGPS asset. As a result, a comparison of the future value of employer contributions in relation to future service costs (£4,228,000) has been compared to the future value of employer service costs (£4,519,000) to ascertain the value of the pension asset to the academy trust, in terms of potential reduction in future contributions (an asset ceiling calculation). As the former exceeds the latter, combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 no LGPS asset has been included with the financial statements.

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05
Commutation of pensions to lump sums	80.00	80.00

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

	2023 Years	2022 Years
Retiring today		
Males	20.5	21.7
Females	23.5	23.5
Retiring in 20 years		
Males	21.3	22.9
Females	25.0	25.3

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(442)	(512)
Discount rate -0.1%	442	512
Mortality assumption - 1 year increase	(660)	(717)
Mortality assumption - 1 year decrease	660	717
CPI rate +0.1%	381	444
CPI rate -0.1%	(381)	(444)

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	14,517	12,196
Property	4,574	3,157
Cash and other liquid assets	795	2,455
Total market value of assets	19,886	17,808

The actual return on scheme assets was £-284,000 (2022 - £819,000).

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

	2023 £000	2022 £000
Current service cost	(1,135)	(2,082)
Interest income	764	241
Interest cost	(788)	(466)
Total amount recognised in the Statement of Financial Activities	(1,159)	(2,307)

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

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

	2023 £000	2022 £000
Opening defined benefit obligation	17,936	23,558
Transferred in on existing academies joining the trust	-	6,662
Current service cost	1,135	2,082
Interest cost	788	466
Employee contributions	268	221
Actuarial gains	(3,464)	(14,947)
Benefits paid	(151)	(106)
Asset ceiling restriction	3,374	-
Closing defined benefit obligation	<u>19,886</u>	<u>17,936</u>

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

	2023 £000	2022 £000
Opening fair value of scheme assets	17,538	12,331
Transferred in on existing academies joining the trust	-	3,608
Interest income	764	241
Actuarial gains	660	578
Employer contributions	807	665
Employee contributions	268	221
Benefits paid	(151)	(106)
Closing fair value of scheme assets	<u>19,886</u>	<u>17,538</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2023

27. Related party transactions

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

Expenditure related party transactions

West View Project Community Interest Company - a charity in which C Simmons (a Trustee of the Trust) has an involvement:

- The Trust purchased services totalling £17,000 (2022: £6,000) from West View Project Community Interest Company. There were no amounts outstanding at 31 August 2023 (2022: £Nil).
- The Trust made the purchases at arms' length.
- In entering into the transactions the Trust has complied with the requirements of the Academy Trust Handbook 2022.
- The element above £2,500 has been provided 'at no more than cost' and West View Project Community Interest Company has provided a statement of assurance confirming this.

Davies Tracey Limited - a company in which R Priestman (a Trustee of the Trust until 28 April 2023) has a position of influence:

- The Trust purchased internal audit services from Davies Tracey Limited during the period R Priestman was a Trustee totalling £11,000 (2022: £8,000). There were no amounts outstanding at 31 August 2023 (2022: £Nil).
- The Trust made the purchases at arms' length.
- In entering into the transactions the Trust has complied with the requirements of the Academy Trust Handbook 2022.
- The nature of the services provided are considered exempt to the ESFA.

The Trust entered into the above transactions at arm's length following competitive tendering exercises where necessary in accordance with its financial regulations. C Simmons and R Priestman neither participated in nor influenced the tendering processes for their respective related parties.