

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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



TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Ms Becca Mattingley Mrs Joan Watkins Mr Martin O'Sullivan Mr Paul Winterton Mr Nicholas Greenhalgh
Trustees	Dr Clive Grace, OBE, Chair¹ Ms Carole Burgoyne OBE, Co-Vice Chair^{1,3,4,5} Dr Karen Deeny, Co-Vice Chair^{1,2,4,6} Ms Geraldine Herage, Trustee^{1,2,5,6} Mr Peter McDonnell, Trustee (resigned 31 August 2023)^{2,3} Mr Graham Oliver, Trustee^{3,4} Dr Tim Searle, Trustee (resigned 16 September 2022)^{2,3} Mr Timothy Thexton, Trustee (resigned 24 July 2023)^{3,4} Ms Kathryn Halford, Trustee^{1,2,6} ¹ Safeguarding and Wellbeing Committee (Merged into Education, Safeguarding & Wellbeing Committee on 30.03.2023) ² Education & Outcomes Committee (Merged into Education, Safeguarding & Wellbeing Committee on 30.03.2023) ³ Finance & Audit Committee ⁴ Remuneration Committee ⁵ Interim Academy Board, Mount Tamar ⁶ Education, Safeguarding and Wellbeing Committee (As of 30.03.2023)
Company registered number	10038640
Company name	Transforming Futures Multi Academy Trust Limited
Registered office	PHP Law 6 Delamore Park Cornwood Ivybridge Plymouth PL21 9QP
Chief executive officer	Mr Matthew Sambrook (Appointed 30 October 2023) Mrs Sandra Harris (Appointed 5 June 2023, Resigned 29 October 2023) Mr Matthew Barnes (Resigned 4 June 2023)
Senior management team	Mr Matthew Barnes, CEO & Accounting Officer (resigned 4 June 2023) Mrs Sandra Harris, ACEO & Accounting Officer (Appointed 5 June 2023, resigned 29 October 2023) Mr Matthew Sambrook, CEO & Accounting Officer (Appointed 30 October 2023) Mrs Sandra Harris, Deputy CEO & CGOO Mrs Karen Cook, CFO (Appointed 1 September 2022, resigned 14 May 2023) Mrs Diane Dimond, Interim CFO (Appointed 15 May 2023, resigned 16 October 2023) Nilesh Jethwa, CFO (Appointed 17 October 2023) Mrs Helen Hawkes, Executive Officer (Appointed 22 May 2023) Mr Stewart Gale, DoE (Appointed 17 October 2022, resigned 31 August 2023) Mrs Hannah Smart, Executive Headteacher, Courtlands & ACE Tiverton Mr Matthew Bindon, Headteacher, Mount Tamar Mrs Ruth Westwood, Headteacher, ACE Schools

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Bankers Lloyds Bank PLC
37 Ridgeway
Plympton
Plymouth
PL7 2AP

Solicitors PHP Law
6 Delamore Park
Cornwood
Ivybridge
Plymouth
PL21 9QP

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

TRUSTEES REPORT

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

The Trust operates:

- a primary special SEMH academy, Courtlands for pupils aged 4 to 11 in Plymouth.
- a special SEMH academy, Ace Tiverton Special School for pupils aged 12 to 16 in Tiverton.
- alternative provision academy with PRU for pupils aged 12 to 16 in Plymouth, Hospital, s19 and WRAP provision in for pupils aged 4 to 19 in Plymouth and specialist provision in Cornwall, Plymouth and Exeter for pupils aged 4 to 19.
- a special SEMH academy, Mount Tamar School for pupils aged 4 to 16 in Plymouth (joined 01.03.23)

Its academies have a combined pupil capacity across all sites of 587 and had a roll of 585 in January 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Multi Academy 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 academy trust. The Trustees of Transforming Futures Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Transforming Futures Multi Academy Trust Limited.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details.

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

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

Method of recruitment and appointment or election of Trustees

The Board considers the skills, experience, and different perspectives of potential new Trustees. The Board also undertakes an annual assessment to identify whether further Trustees with specific skills, or further individual training are required. Potential Trustees are recommended to Members for appointment. Trustees are appointed for a four-year term. Trustees may be re-appointed subject to remaining eligible by criteria.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but always includes a tour of the Academies and a chance to meet staff and pupils. This has been done virtually where Covid restrictions needed to be in place. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Trustees.

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Organisational structure

During the year, the Trust operated through the following structures:

- Members, who appoint and hold the Board to account
- Board of Trustees, who set the Trust strategy delegating delivery to the Trust Executive and holding them to account
- Executive Officers, responsible for delivering the Trust strategy

The organisational structure is based on a delegated authority framework which clearly defines the roles and responsibilities and encourages distributed leadership and involvement in decision making at all levels. Members have overall responsibility for the appointment and removal of Trustees and are signatories of the Articles of Association.

The Board is responsible and accountable for the Trust's performance together with its secure and sound financial management. Trustees work within the agreed ethos and values framework and are ultimately responsible for the financial performance of each academy. They also have responsibility for curriculum, staffing and facilities. The Board normally meets once each term. The Board establishes the overall framework for the Trust's governance, including delegating responsibility for various aspects to committees. Committee membership, terms of reference and procedures and advisory groups are reserved for the Board.

It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and feedback from respective Chairs. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

During 2022/23, there were four Committees as follows:

- Finance and Audit Committee - meets each half term and is responsible for monitoring, evaluating and reviewing policy and performance of financial management, compliance with reporting and regulatory requirements and reporting. The Committee receives reports from the Accounting Officer, internal and external audit. It also incorporates the role of an Audit Committee.
- Education and Outcomes Committee - meets at least termly to monitor, evaluate, and review Academy curriculum planning and performance, communications, target setting and assessment, examinations, and all pastoral issues.
- Safeguarding and Wellbeing Committee – meets at least termly reviewing all safeguarding policies and incidents, together with the Trusts obligations of duty of care to staff and students' wellbeing, including the pastoral care.
- Remuneration Committee - meets twice a year to set and approve employee benefits and salaries and review performance.

As of 30.03.23, the Board agreed that the Education and Outcomes Committee and the Safeguarding and Wellbeing Committee should merge to form the Education, Safeguarding and Wellbeing Committee.

The following decisions are reserved to the Board:

- To consider any proposals for changes to the status or constitution of the Trust and its Committee structure.
- To set the Trust strategic objectives.
- To appoint or remove the Chair and/or Vice Chairs.
- To appoint the CEO and Headteachers and Governance Professional.
- To approve the Annual Development Plan and Budget.

The Board recommend the Annual Report for approval by members.

The Board devolve responsibility for day-to-day management of the Trust to the Chief Executive Officer and Executive Team. The Executive Team comprises the Chief Executive Officer, Head Teachers, Deputy CEO,

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

Chief Governance & Operating Officer, Chief Financial Officer and the Executive Officer. This Team implements the policies laid down by the Trustees, reporting back to them on performance.

Trustees rely at a local level, on Community Participation Groups to account and drive forward performance improvements, attainment, and progress in each operating site. Its members are responsible for recommending an annual School Improvement Plan and monitoring policy implementation set by the Board.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees and the Executive Team comprise the key management personnel of the Trust in charge of directing and controlling, running, and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with national agreements.

The Trustees benchmark against pay levels in other Trusts of a similar size and against national agreements with unions. The benchmark is the mid-point of the range paid for similar roles adjusting for a weighting for any additional responsibilities.

Trade union facility time

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

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£1,009.41
Total pay bill	£6,686,400.80
The percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.015%

Paid trade union activities

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

There are no related parties which either control or significantly influence the decisions and operations of Transforming Futures Multi Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials.
- Regular updates to all staff members, via briefings and newsletters, covering both financial and non-financial performance.
- Termly meetings with recognised Trade Union representatives.
- Regular meetings of staff and their line managers.
- An annual staff survey.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance, for the public benefit, education in the United Kingdom, by establishing, maintaining, carrying on, managing, and developing academies, offering a broad range of curriculum for pupils of different abilities.

The principal object and activity of the Charitable Company is the operation of Transforming Futures Multi Academy Trust to provide free education and care for pupils of different abilities. The Trust's specialism is the provision of primary SEMH; secondary SEMH with particular emphasis on autism and operating a pupil referral unit together with teaching provision for s19 pupils, hospital pupils and others requiring specialist intensive teaching.

The aims of the Trust during the year ended 31 August 2023 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils through trauma-informed practice;
- to provide a broad and balanced curriculum, including extra-curricular activities;
- to develop students as more effective learners;
- to enhance the tertiary provision and outcomes;
- to develop the Trust sites and infrastructure to enable students to achieve their full potential;
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to develop greater coherence, clarity and effectiveness in school systems;
- to comply with all appropriate statutory and curriculum requirements;
- to develop the Trust's capacity to manage change; and,
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

The Trust aims to enable everyone to realise their full potential within a caring environment, celebrating success and achievement, while learning from mistakes and errors. We intend to enable each student to realise his or her full academic, creative, and physical potential and to develop positive social and moral values. The Trust is a community in which children, staff and parents should be part of a happy and caring environment.

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

Objectives, Strategies and Activities

The objectives of the Multi Academy Trust are summarised as

- to improve the educational provision in all existing Academies;
- to strengthen the governance and internal controls of the Trust and Academies; and,
- to engage positively with staff, commissioners, and regulators.

Key activities and targets were identified in the Trust Strategic Priorities & Plan, building on the previous strategy and taking account of national changes in education policy and funding. The activities included the following:

- Developing and delivering the Development & Improvement Strategy of the Trust
- Revisiting and developing the Education Strategy of the Trust
- Improving our financial management and budget planning processes with increased controls
- Key engagement with our commissioners on supporting the provision within the South West
- Ensuring the smooth conversion of Mount Tamar into the Trust
- Mobilising a Recruitment, Retention and Wellbeing Programme leading to a collaboratively produced people plan
- Reviewing our professional services model and reprocurring those services for the benefit of the provision
- Further activities within the overall governance development plan
- Continued improvement and development of all our professional services.

These activities were revisited throughout the year and adjusted where necessary to respond to changes both within and external to the Trust. Examples of such internal changes were resignation of the CEO and ensuring smooth transition, changes within the Executive Team and the conversion of an additional school into the Trust.

Public benefit

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

The Trust aims to advance for the public benefit, education in the United Kingdom. Without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing academies, offering a broad curriculum with a strong emphasis on SEN, but in no way limited to the specialism of autism.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Trustees have secured high quality governance for the Trust. The interface between the cycle of meetings of members, the Trustees and the central Trust team is effective. The Chair and Vice Chairs provide strong leadership. They ensure the Trustees provide corporate, strategic direction for the Trust. There is appropriate documentation that sets out how Trustees should fulfil their statutory duties and there is a shared understanding in delivering this.

Transforming Futures Trust (TFT) plays a key strategic role in supporting the education system in Plymouth. As well as delivering effective alternative provision, leaders from ACE schools work closely with Local Authority leaders and commissioners on a range of issues. TFT has established itself as a key voice within the SEND commissioning processes within Plymouth County Council. Courtlands continues to provide primary education for pupils with social, emotional and mental health needs in Plymouth. Changes in leadership have resulted in the continued improvement in the standard of education.

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

As well as the strong presence within Plymouth, TFT works closely with partners in Devon and Cornwall. Relationships with commissioners in Cornwall is particularly strong, where the alternative provision package offered by ACE Schools is valued highly. Strong working relationships have been developed with commissioners in Devon County Council and colleagues from specialist provision who make up the Devon Special School Heads Group (previously known as SENTIENT). ACE Tiverton is providing a strong education for secondary aged pupils with an autistic spectrum condition.

Key Performance Indicators

ACE Tiverton

The establishment of the Haven as a second campus has been embedded in 2022/23, student numbers have increased, as planned from 75 to 108 (as of November 23). The school is moving into its fifth year of establishment (23/24) and the first cohort of Y7 students, will be leaving as Y11s in July 2024.

ACE Schools

ACE Schools has seen a spike in permanently excluded pupils into Key Stage 3 at Bretonside. The new sites at Redruth and Bodmin are well established, and plans are in place for a new Launceston site (subject to DfE approval). We continue to review and seek improved sites for our other provisions. Referrals for Cornwall continue to be strong, but recruitment and retention of suitable staff is challenging.

During the year there was a change in Headteacher, and changes to leadership arrangements at Bretonside have been effective in uniting the staff team in improving pupil engagement and behaviour.

Courtlands

Interim leadership arrangements were in place in 22/23 under the executive headship, and these have been formalised for 2023/24. There is an Executive Headteacher with an SLT consisting of Head of School and three Assistant Headteachers. The school has also increased in pupil numbers, with 95 at the end of 2022/23 and a rise to 107 on roll as of November 2023.

Mount Tamar

Mount Tamar joined Transforming Futures Trust on the 1st March 2023. It is an all through special school with an SEMH designation. The school was placed into special measures by Ofsted in November 2021 and in November 2022 the school was subject to a monitoring inspection which deemed safeguarding to still not be effective and that effective actions were being not being taken to remove the special measures judgement. The school began to receive formalised support from TFT in January 2023 with the school joining the Trust in March 2023. Since then the school has begun the process of improving the outcomes for the pupils it serves.

Going concern

After making appropriate enquiries, and through a collaborative and robust financial planning period over June/July 2023, the Board of Trustees has a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. The 3 year budget plan commencing September 2023 sets significant improvement in operating surpluses and cash balances principally based on an expansion of pupils places. Monitoring indicates we are on track in achieving pupil placement income.

FINANCIAL REVIEW

Most of the Trust's income is obtained from ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE 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 which 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 useful life of the assets concerned, as defined in the Trust's accounting policies.

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

During the year ended 31 August 2023 the Academy received total income of £16,267,947 and incurred total expenditure of £17,279,766, excluding Restricted Fixed Asset funds. The excess of expenditure over income for the year was £1,011,819.

At 31 August 2023 the net book value of tangible fixed assets was £15,620,758 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Land and buildings were professionally valued on 6 Sept 2019 at £4,540,606. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

Reserves policy

Trustees target a minimum level of Free Reserves across the Trust that equate to one month's operating costs and it is expected that each school will generate and contribute to the central reserves to achieve this.

These Reserves are held to cover:

- cashflow and contingency requirements
- planned or anticipated future commitments to capital projects
- financial commitments made but not yet entered
- planned investment in educational initiatives and new projects to further the objectives of the Trust.

In the medium term, Trustees aspire to a level of Free Reserves across the Trust equivalent to two months' operating costs, approximately £2,900,000. Trustees will review the level of Free Reserves annually with reference to financial risk and need and the level may be amended accordingly. All Reserves are accountable at Trust level as the Trustees have the responsibility of securing the financial stability of the Trust as a whole. The value of free reserves at the year end was £111,093.

The current 3 year plan, based on prudent assumptions regarding wage inflation and pupil income, sees surpluses in each of the next 3 years to August 2026. This surplus generation will allow us to build back unrestricted reserves in line with the Trust's Reserves Policy and enable us to increase cash balances over the 3-year period, improving the Trust's financial security and resilience.

In accordance with the Academies Trust Handbook, Trustees have determined that Transforming Futures Trust will amalgamate Free Reserves, including GAG funding, for all its academies to form one central fund. This fund can be used to meet the normal running costs at any of the academies within the Trust.

All Trust Academies are included in pooling arrangements.

Items specifically excluded from pooling arrangements will include:

- PFI funding (where applicable)
- Grants and donations where conditions of funding are school specific (where applicable).

Capital funding secured (i.e., Devolved Formula Capital, Condition Improvement Fund) is held centrally and is separately managed in accordance with the approved Estates Strategy.

Transforming Futures Trust will consider the funding needs and allocations of each constituent Academy, with an appeals process outlined within the policy. Each constituent Academy receives a GAG allocation statement, other funding allocations and income remittance documentation that confirm funding figures.

During the budgeting process each year, each Academy Head and service leads prepare a budget, which is scrutinised by the Executive Team. The budgets will be reviewed alongside the various funding allocation documentation to ensure that the budgets set, are in line with pooling arrangements.

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

Where a constituent Academy or service area generates an unbudgeted in-year deficit, the Academy/service area will need to confirm to the Executive team how the unbudgeted revenue deficit arose (i.e., via unanticipated events or poor budget management). Where the Trust had not formally approved for a constituent Academy to incur additional expenditure following the approval of the budget, the cause of the deficit will be examined by the Executive Team; and if required this will be dealt with through the Trust's performance management process. The constituent Academy will normally be required to repay any unapproved in year deficit in the future year(s).

Where a constituent Academy or service area generates an in-year surplus this will be pooled at the end of the year as part of Free Reserves.

Expenditure of Reserves can only be undertaken when agreed by the Trust and will take into account:

- the overall Reserves of the Trust
- the operational risks faced by the Trust
- the priority for school capital investment and maintenance plans across the Trust.

The Trust may also choose to identify some of the Reserves as Designated Reserves, which are being held for a specific purpose, such as a capital project. The Trust will decide when Designated Reserves will be spent and always retains the right to reallocate these Reserves depending upon the needs of the Trust overall.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Multi Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment policy

Due to the nature and timing of funding receipts, the Trust may at times hold cash balances surplus to its immediate short-term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised or used.

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board has reviewed the major risks to which the Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety, and discipline.
- Financial - the Trust has considerable reliance on continued Government funding through the ESFA together with funding from Local Authorities. Circa 40% of the Trust's incoming resources were ESFA funded, 60% came from Local Authorities. Whilst this level is expected to continue, there is no assurance that Government nor Local authority policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. We are working with our commissioners and other key stakeholders to attempt to mitigate any likely impact on the Trust.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Trust is dependent on continuing to achieve the highest educational standards and building individual strengths. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.
- Staffing - the success of the Trust is reliant upon the quality of its staff. Recruitment, Retention and Wellbeing are priorities for the Trust. Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds - all finance staff receive training to keep them up to date with financial practice requirements and develop their skills. This is both from a provider and client angle. Financial Regulations are reviewed annually.
- The Trust has agreed a Risk Management Strategy and a Risk Register. These have been discussed by the Board and include the financial risks to the Trust. The register is regularly reviewed by the Board and the Executive considering any new information and formally reviewed at a minimum of annually.
- The Trustees have assessed the major risks to which the Trust is exposed, those relating to its finances, teaching, estates and facilities, and other operational areas. The Trustees have implemented several systems to assess and mitigate those risks, including internal controls described elsewhere, having an SLA with Devon Health & Safety Service as the 'competent person' for Health and Safety audits, advice and training (to complement 'in house' compliance), and contract management of outsourced services. Where significant financial risk remains, they have ensured they have adequate insurance cover.

FUNDRAISING

The Trust does not undertake any significant fundraising and does not engage any fundraising agencies.

PLANS FOR FUTURE PERIODS

The Trust continues to seek innovative ways to engage pupils at all levels, seeking to encourage their attainment at aspirational levels. A key part of this objective is the appointment, development and retention of excellent staff.

With a new CEO in place for 2023/24, this brings refreshed focus on priorities and educational standards and improvement.

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**TRUSTEES REPORT (CONTINUED)
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FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as the custodian Trustees of any other Charity.

AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 13 December 2023 and signed on the board's behalf by:



Dr Clive Grace OBE
Chair of Trustees

Date: 13 December 2023

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

GOVERNANCE STATEMENT

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Transforming Futures Multi Academy Trust and the Secretary of State for Education.

They are also responsible as 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 year.

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

Trustee	Meetings attended	Out of a possible
Dr C Grace	5	6
Mrs C Burgoyne	6	6
Dr Karen Deeny	6	6
Kathryn Halford	5	6
Mrs G O'Sullivan	6	6
Mr P McDonnell	5	6
Mr G Oliver	2	6
Mr T Thexton	5	6
Dr T Searle	1	1

During the year three Trustees resigned. The Board has a recruitment strategy in place to further recruit additional Trustees.

Governance Review and further development

The Board has continued to build on its previous full review of the governance framework, documenting processes and responsibilities to ensure that all areas of risk were subject to management oversight and Board challenge. The committee structure has been fully operational as follows:

- Education and Outcomes: reviewing the educational strategy, curriculum and outcomes
- Safeguarding and Wellbeing: reviewing the safeguarding of pupils and staff and ensuring appropriate measures are in place and active for both student and staff wellbeing
- Finance and Audit: reviewing financial and risk performance
- Remuneration: reviewing salary proposals, pay awards and executive appointments
- Transition Committee: provide effective oversight, direction and support during the transitional period of the changes in CEO and other members of the executive team

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

In addition, during the 2022/23 period two new Committees were established as follows:

- Mount Tamar Interim Academy Board: providing oversight and decision making of the integration of Mount Tamar into the Trust
- Education, Safeguarding and Wellbeing: combining the previous Education and Outcomes Committee and the Safeguarding and Wellbeing Committee

Community Participation Groups have been established within each of the academies, and continue to embed and grow into their full remit. The forums are associated with each academy, working alongside staff ensuring policies are embedded and local support and challenge is given, advising the Board/Committees as appropriate.

This focus has provided clarity for Trustees and management on the key external and internal drivers which are closely managed. The governance arrangements are then further informed by the risk management systems which are continuously updated. The Finance and Audit Committee is a committee of the main Board of Trustees. Its purpose is to review the financial performance, risk management and audit results in detail. The committee reviewed progress on the major projects throughout the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr G Oliver	4	4
Mr T Thexton	1	4
Mrs C Burgoyne OBE	2	4
Mr P McDonnell	4	4

Review of value for money

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

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

- Maintaining and increasing tight controls over finances over the delegated responsibility to budget holders through routine review and challenge.
- Reviewing, reprocurring and benchmarking professional services costs and delivery to ensure the most effective support to the Trust.
- Reviewing the operation of the Supply Agency contract and continuously evaluating where better value could be obtained in terms of bringing permanent staff into the Trust.
- Continuing a robust procurement process evaluating potential suppliers and entering clear transparent agreements and then managing the relationships.

Focus and attention is being given to a renewed Estates Strategy which incorporates estates safety and management. We are seeking to update all condition surveys and looking to rationalise existing estate across the Trust, including full assessment to ensure 'fit for purpose' premises. Plans to move premises for three provisions have already been implemented/are in the process of mobilisation. We recognise the risk within our risk register and the Estates Strategy has a focus on funding streams to ensure that the risks of the Trust estate becoming unsafe or poorly maintained are adequately mitigated. We have also reduced electricity consumption by replacing lights at all sites with LED lights. Health and safety and statutory compliance is overseen by an external company through a recently renewed Service Level Agreement (Devon Health & Safety Service) to provide suitable assurance to the Trust Board.

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks the achievement of Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Transforming Futures Multi Academy Trust for the period from 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 Multi Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating, and managing the Academy Trust's significant risks that have been in place for the period from 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 monthly financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined procurement guidelines
- delegation of decision making and financial control authority balanced by a segregation of duties

The Board of Trustees considered the need for a specific internal audit function and decided to appoint Griffin Chartered Accountants to this function. Griffin undertook two audits during the year and their reports have been considered by the Finance and Audit Committee.

The internal auditor's/reviewer'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 a review of:

- Income
- Cashflow forecasting
- Management information and reports
- Purchase

Griffin reported to the Board of Trustees, through its reports to the Finance and Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. All recommendations have been delivered or have specific plans leading to being closed off.

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

REVIEW OF EFFECTIVENESS

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

- The work of both internal and external auditors
- The Schools Management Resource toolkit from the DfE
- Routine monthly review of academy data both financial and non-financial to triangulate results
- Full deep dive of budgets during reforecasting and budget setting processes.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and together with the actions taken to address all audit recommendations and ensure continuous improvement of the system is in place.

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



Dr Clive Grace OBE
Chair of Trustees



Matthew Sambrook
Accounting Officer

Date: 13 December 2023

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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



Matthew Sambrook
Accounting Officer
Date: 13 December 2023

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Company law requires the Trustees to prepare financial statements for each financial . 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the 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 Chair of Trustees and signed on its behalf by:



.....
Dr Clive Grace OBE
Chair of Trustees

Date: 13 December 2023

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED**

OPINION

We have audited the financial statements of Transforming Futures Multi Academy Trust Limited (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including 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 Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED (CONTINUED)**

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED (CONTINUED)**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED (CONTINUED)**

with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

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

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

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

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

USE OF OUR REPORT

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

Bishop Fleming LLP

Kevin Connor FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 18 December 2023

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 1 November 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 Transforming Futures Multi Academy Trust Limited during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF TRANSFORMING FUTURES MULTI ACADEMY TRUST
LIMITED'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Transforming Futures Multi Academy Trust Limited's funding agreement with the Secretary of State for Education dated 27 May 2016 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED 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 Academy Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

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

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

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

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

CONCLUSION

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

Bishop Fleming LLP

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 18 December 2023

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
INCOME FROM:						
Donations and capital grants:	3					
Transferred on Conversion		-	(335,000)	4,680,033	4,345,033	-
Other donations and capital grants		-	-	4,559,451	4,559,451	60,656
Other trading activities		-	-	-	-	7,479
Investments	6	104	-	-	104	104
Charitable activities		169,257	16,433,586	-	16,602,843	13,744,038
TOTAL INCOME		169,361	16,098,586	9,239,484	25,507,431	13,812,277
EXPENDITURE ON:						
Raising funds		6,627	-	-	6,627	9,311
Charitable activities		46,610	17,226,529	405,759	17,678,898	15,131,321
TOTAL EXPENDITURE		53,237	17,226,529	405,759	17,685,525	15,140,632
Net income/ (expenditure)		116,124	(1,127,943)	8,833,725	7,821,906	(1,328,355)
Transfers between funds	18	(283,746)	222,017	61,729	-	-
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(167,622)	(905,926)	8,895,454	7,821,906	(1,328,355)
Actuarial gains on defined benefit pension schemes	25	-	1,680,000	-	1,680,000	5,381,000
NET MOVEMENT IN FUNDS		(167,622)	774,074	8,895,454	9,501,906	4,052,645

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	278,715	(794,074)	11,047,919	10,532,560	6,479,915
Net movement in funds	(167,622)	774,074	8,895,454	9,501,906	4,052,645
TOTAL FUNDS CARRIED FORWARD	111,093	(20,000)	19,943,373	20,034,466	10,532,560

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 60 form part of these financial statements.

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:10038640

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
FIXED ASSETS			
Tangible assets	15	15,620,758	11,047,919
		<u>15,620,758</u>	<u>11,047,919</u>
CURRENT ASSETS			
Debtors	16	4,835,509	1,403,697
Cash at bank and in hand	22	832,529	247,835
		<u>5,668,038</u>	<u>1,651,532</u>
Creditors: amounts falling due within one year	17	(1,234,330)	(999,891)
		<u>4,433,708</u>	<u>651,641</u>
NET CURRENT ASSETS		4,433,708	651,641
TOTAL ASSETS LESS CURRENT LIABILITIES		20,054,466	11,699,560
Defined benefit pension scheme liability	25	(20,000)	(1,167,000)
TOTAL NET ASSETS		20,034,466	10,532,560
FUNDS OF THE ACADEMY TRUST			
RESTRICTED FUNDS:			
Fixed asset funds	18	19,943,373	11,047,919
Restricted income funds	18	-	372,926
		<u>19,943,373</u>	<u>11,420,845</u>
Restricted funds excluding pension asset	18	19,943,373	11,420,845
Pension reserve	18	(20,000)	(1,167,000)
TOTAL RESTRICTED FUNDS	18	19,923,373	10,253,845
UNRESTRICTED INCOME FUNDS	18	111,093	278,715
TOTAL FUNDS		20,034,466	10,532,560

The financial statements on pages 25 to 60 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Mr Matthew Sambrook
Accounting Officer
Date: 13 December 2023

The notes on pages 29 to 60 form part of these financial statements.

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash provided by operating activities	20	712,121	156,025
CASH FLOWS FROM INVESTING ACTIVITIES	21	(127,427)	(642,144)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		584,694	(486,119)
Cash and cash equivalents at the beginning of the year		247,835	733,954
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	22, 23	832,529	247,835

The notes on pages 29 to 60 form part of these financial statements

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

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

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

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

1. ACCOUNTING POLICIES (continued)

1.3 Income (continued)

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years straight line (Land) or 50 years straight line (Buildings)
Furniture and equipment	- 5 years straight line
Computer equipment	- 3 years straight line

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

1.7 Debtors

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.8 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 and cash on deposit that has a notice period of less than 30 days.

1.9 Liabilities

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

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.10 Financial instruments

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

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

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

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

1.11 Operating leases

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

1.12 Pensions

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

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.13 Fund accounting

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2019 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.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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

The assets and liabilities transferred to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amount has been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Transferred in on conversion	(335,000)	4,680,033	4,345,033
Capital Grants	-	4,559,451	4,559,451
	<u>(335,000)</u>	<u>9,239,484</u>	<u>8,904,484</u>
		Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations		20,000	20,000
Capital Grants		40,656	40,656
		<u>60,656</u>	<u>60,656</u>

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4. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Education			
DfE/ESFA grants			
General Annual Grant	-	5,180,461	5,180,461
Pupil Premium	-	310,370	310,370
Other DfE/ESFA Grants	-	16,440	16,440
TCaF Funding	-	(35,205)	(35,205)
Teachers Pension and Pay Grant	-	307,035	307,035
	-	5,779,101	5,779,101
Other Government grants			
High Needs	-	10,333,112	10,333,112
Other government grants: excluding capital	-	95,134	95,134
	-	10,428,246	10,428,246
Other income from the Academy Trust's education	169,257	-	169,257
COVID-19 additional funding (DfE/ESFA)			
Recovery Premium	-	175,162	175,162
National Tutoring Programme	-	51,077	51,077
	-	226,239	226,239
	169,257	16,433,586	16,602,843

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Education			
DfE/ESFA grants			
General Annual Grant	-	4,305,940	4,305,940
Pupil Premium	-	302,131	302,131
Other DfE/ESFA Grants	-	218,218	218,218
TCaF Grant	-	310,000	310,000
	-	5,136,289	5,136,289
Other Government grants			
High Needs	-	8,264,012	8,264,012
Other government grants: excluding capital	-	285,524	285,524
	-	8,549,536	8,549,536
Other income from the Academy Trust's education	28,691	-	28,691
COVID-19 additional funding (DfE/ESFA)			
Other DfE/ESFA COVID-19 Funding	-	29,522	29,522
	-	29,522	29,522
	28,691	13,715,347	13,744,038

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. INCOME FROM OTHER TRADING ACTIVITIES

	Total funds 2023 £	Total funds 2022 £
Fees received	-	7,479

All prior year amounts relate to unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	104	104	104

All prior year amounts relate to unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
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7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	6,627	6,627
Education:				
Direct costs	11,052,493	984,568	1,028,543	13,065,604
Allocated support costs	2,283,200	203,390	2,126,704	4,613,294
Total 2023	13,335,693	1,187,958	3,161,874	17,685,525
	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	9,311	9,311
Education:				
Direct costs	9,244,724	695,309	132,047	10,072,080
Allocated support costs	2,142,625	673,029	2,243,587	5,059,241
	11,387,349	1,368,338	2,384,945	15,140,632

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NOTES TO THE FINANCIAL STATEMENTS
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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Education	13,065,604	4,613,294	17,678,898

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Education	10,072,080	5,059,241	15,131,321

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance cost	4,000	20,000
Staff costs	501,270	559,431
Depreciation and amortisation	69,545	418,795
Other costs	29,733	57,289
Supply teachers	1,781,930	1,583,194
Recruitment and support	90,264	75,933
Maintenance of premises and equipment	38,592	207,271
Cleaning	9,409	57,610
Rent and rates	32,612	161,476
Energy costs	33,524	106,732
Insurance	4,894	6,718
Security and transport	349,683	259,418
Catering	152,205	136,547
Technology costs	265,995	229,700
Office overheads	19,798	143,910
Legal and professional	268,288	216,219
Bank interest and charges	422	370
Support services	925,335	790,740
Governance costs	35,795	27,888
Total 2023	4,613,294	5,059,241

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	163,500	169,175
Depreciation of tangible fixed assets	405,759	417,957
Amortisation of intangible assets	-	838
Fees paid to auditors for:		
- audit	22,815	18,150
- other services	4,345	3,950

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

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	8,603,781	6,448,305
Social security costs	808,469	611,555
Pension costs	1,983,613	2,557,237
	<u>11,395,863</u>	<u>9,617,097</u>
Agency staff costs	1,918,997	1,752,683
Staff restructuring costs	20,833	17,569
	<u><u>13,335,693</u></u>	<u><u>11,387,349</u></u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	6,362	-
Severance payments	14,051	17,569
Other restructuring costs	420	-
	<u><u>20,833</u></u>	<u><u>17,569</u></u>

b. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs is a non-statutory/non-contractual severance payment of £14,051 (2022: £17,569 made up of two payments).

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF (CONTINUED)

c. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	97	80
Administration and support	213	171
Management	18	11
	<u>328</u>	<u>262</u>

Included in administration and support staff numbers are teaching related posts of 189 (2022: 156).

In addition to the employees detailed above, the Trust have been provided with staff from support services. The average number for the year was: Estates – 22 (2022: 23), Finance – 4 (2022: 3), Human resources – 6 (2022: 5), IT support – 7 (2022: 6).

d. HIGHER PAID STAFF

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	4
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	4	-
	<u>4</u>	<u>-</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £683,191 (2022: £932,247) paid to 9 (2022: 16) members of key management personnel.

11. CENTRAL SERVICES

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

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12. TRUSTEES' REMUNERATION AND EXPENSES

Trustees did not receive any payments, other than expenses from the Academy Trust in respect of their role as Trustees. The Chief Executive Officer is not a Trustee, therefore their remuneration has been disclosed within the key management personnel remuneration set out in note 10e.

Other related party transactions involving Trustees are set out in Note 28.

During the year ended 31 August 2023, travel, subsistence and other academy expenses totalling £1,634 were reimbursed or paid directly to 3 Trustees (2022: £1,650 to 3 Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

14. INTANGIBLE ASSETS

	Computer software £
Cost	
At 1 September 2022	87,785
At 31 August 2023	87,785
Amortisation	
At 1 September 2022	87,785
At 31 August 2023	87,785
Net book value	
At 31 August 2023	-
At 31 August 2022	-

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

15. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost				
At 1 September 2022	11,445,919	656,146	947,081	13,049,146
Additions	57,973	96,115	144,477	298,565
Acquired on conversion	4,680,033	-	-	4,680,033
At 31 August 2023	16,183,925	752,261	1,091,558	18,027,744
Depreciation				
At 1 September 2022	834,168	345,985	821,074	2,001,227
Charge for the year	195,235	107,802	102,722	405,759
At 31 August 2023	1,029,403	453,787	923,796	2,406,986
Net book value				
At 31 August 2023	15,154,522	298,474	167,762	15,620,758
At 31 August 2022	10,611,751	310,161	126,007	11,047,919

Leasehold land and buildings transferred in from the Local Authority in respect of Mount Tamar School amounted to £4,680,033.

16. DEBTORS

	2023 £	2022 £
Due within one year		
Trade debtors	74,952	567,069
Other debtors	4,196	-
Prepayments and accrued income	4,704,077	667,865
VAT recoverable	52,284	168,763
	4,835,509	1,403,697

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NOTES TO THE FINANCIAL STATEMENTS
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17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	193,317	323,829
Other taxation and social security	198,400	139,250
Other creditors	338,020	218,686
Accruals and deferred income	504,593	318,126
	<u>1,234,330</u>	<u>999,891</u>
	2023 £	2022 £
Deferred income		
Deferred income at 1 September 2022	-	113,315
Resources deferred during the year	94,790	-
Amounts released from previous periods	-	(113,315)
Deferred income at 31 August 2023	<u>94,790</u>	<u>-</u>

At the balance sheet date the Academy Trust was holding funds received in advance for education provision.

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

18. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	278,715	169,361	(53,237)	(283,746)	-	111,093
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	-	5,180,461	(5,118,732)	(61,729)	-	-
High Needs Funding	-	10,333,112	(10,616,858)	283,746	-	-
Pupil Premium	-	310,370	(310,370)	-	-	-
UIFSM	-	1,249	(1,249)	-	-	-
PE & Sport Grant	-	40,040	(40,040)	-	-	-
Trust Capacity Fund (TCaF)	310,000	(35,205)	(274,795)	-	-	-
Other DfE/ESFA Funding	62,926	522,175	(585,101)	-	-	-
Other Restricted Income	-	81,384	(81,384)	-	-	-
Pension reserve	(1,167,000)	(335,000)	(198,000)	-	1,680,000	(20,000)
	(794,074)	16,098,586	(17,226,529)	222,017	1,680,000	(20,000)

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets Fund	11,047,919	4,680,033	(405,759)	298,565	-	15,620,758
DfE/ESFA Capital Grant	-	4,473,940	-	(151,325)	-	4,322,615
Other Capital Grants	-	85,511	-	(85,511)	-	-
	<u>11,047,919</u>	<u>9,239,484</u>	<u>(405,759)</u>	<u>61,729</u>	<u>-</u>	<u>19,943,373</u>
TOTAL RESTRICTED FUNDS	<u>10,253,845</u>	<u>25,338,070</u>	<u>(17,632,288)</u>	<u>283,746</u>	<u>1,680,000</u>	<u>19,923,373</u>
TOTAL FUNDS	<u>10,532,560</u>	<u>25,507,431</u>	<u>(17,685,525)</u>	<u>-</u>	<u>1,680,000</u>	<u>20,034,466</u>

**TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. STATEMENT OF FUNDS (CONTINUED)

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

Restricted Funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, including education and support costs. An amount of £61,729 has been transferred out of the fund for the acquisition of fixed assets.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UFSM is made up of funding received to provide universal infant free school meals.

PE & Sports Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Trust Capacity Fund (TCaF) - This represents funding received from the ESFA to help the Academy Trust develop their capacity and take on underperforming schools.

Other DfE/ESFA Funding - Other funding received from the ESFA.

Other Non DfE/ESFA COVID-19 Funding - Allocated funding under the National Testing Programme to support the Academy Trust with the costs incurred conducting on-site testing.

Other restricted income - This represents other sources of restricted curriculum income.

Pension reserve - This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed Assets Fund - these funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts. The transfer in represents the additions in the year.

DfE/ESFA Capital Grants - this represents funding from the ESFA to cover the maintenance and purchase of the Academy's assets. The transfer of £151,325 is the cost of fixed assets acquired during the year from these funds.

Other Capital Grants - this represents other capital grants used to cover the purchase of the Academy's assets. The transfer of £85,511 is the cost of fixed assets acquired during the year from these funds.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy 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 year is as follows:

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	428,806	36,274	(52,348)	(134,017)	-	278,715
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	32,807	4,305,940	(4,303,008)	(35,739)	-	-
High Needs Funding	-	8,264,012	(8,264,012)	-	-	-
Pupil Premium	-	302,131	(302,131)	-	-	-
UIFSM	-	2,195	(2,195)	-	-	-
PE & Sport Grant	-	33,150	(33,150)	-	-	-
Trust Capacity Fund (TCaF)	-	310,000	-	-	-	310,000
Other DfE/ESFA Funding	-	182,873	(119,947)	-	-	62,926
Other Non DfE/ESFA COVID-19 Funding	-	29,522	(29,522)	-	-	-
Other Restricted Income	-	285,524	(285,524)	-	-	-
Pension reserve	(5,218,000)	-	(1,330,000)	-	5,381,000	(1,167,000)
	<u>(5,185,193)</u>	<u>13,715,347</u>	<u>(14,669,489)</u>	<u>(35,739)</u>	<u>5,381,000</u>	<u>(794,074)</u>

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

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Fixed Assets Fund	10,753,877	-	(417,957)	711,999	-	11,047,919
DfE/ESFA Capital Grant	451,587	60,656	-	(512,243)	-	-
Other Capital Grants	30,000	-	-	(30,000)	-	-
Intangible Assets Fund	838	-	(838)	-	-	-
	<u>11,236,302</u>	<u>60,656</u>	<u>(418,795)</u>	<u>169,756</u>	<u>-</u>	<u>11,047,919</u>
TOTAL RESTRICTED FUNDS	<u>6,051,109</u>	<u>13,776,003</u>	<u>(15,088,284)</u>	<u>134,017</u>	<u>5,381,000</u>	<u>10,253,845</u>
TOTAL FUNDS	<u><u>6,479,915</u></u>	<u><u>13,812,277</u></u>	<u><u>(15,140,632)</u></u>	<u><u>-</u></u>	<u><u>5,381,000</u></u>	<u><u>10,532,560</u></u>

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

18. STATEMENT OF FUNDS (CONTINUED)

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Central MAT Services	111,093	651,641
Restricted fixed asset fund	19,943,373	11,047,919
Pension reserve	(20,000)	(1,167,000)
Total	20,034,466	10,532,560

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
ACE Schools Plymouth	5,687,922	204,367	341,663	2,858,602	9,092,554
Courtlands Special School	1,973,072	49,076	22,114	970,102	3,014,364
Tiverton, Devon	1,577,189	50,127	73,540	659,427	2,360,283
Central MAT Services	290,324	40,265	30,310	298,182	659,081
Mount Tamar	1,380,986	144,435	29,101	598,962	2,153,484
Academy Trust	10,909,493	488,270	496,728	5,385,275	17,279,766

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
ACE Schools Plymouth	6,144,937	177,466	443,737	1,605,454	8,371,594
Courtlands Special School	1,987,806	61,213	45,037	486,551	2,580,607
Tiverton, Devon	1,201,514	50,361	100,270	586,162	1,938,307
Central MAT Services	229,606	37,391	8,699	225,633	501,329
Academy Trust	9,563,863	326,431	597,743	2,903,800	13,391,837

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	15,620,758	15,620,758
Current assets	111,093	1,214,894	4,342,051	5,668,038
Creditors due within one year	-	(1,214,894)	(19,436)	(1,234,330)
Provisions for liabilities and charges	-	(20,000)	-	(20,000)
Total	111,093	(20,000)	19,943,373	20,034,466

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	11,047,919	11,047,919
Current assets	278,715	1,363,722	9,095	1,651,532
Creditors due within one year	-	(990,796)	(9,095)	(999,891)
Pension scheme liability	-	(1,167,000)	-	(1,167,000)
Total	278,715	(794,074)	11,047,919	10,532,560

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	7,821,906	(1,328,355)
Adjustments for:		
Amortisation	-	838
Depreciation	405,759	417,957
Capital grants from DfE and other capital income	(4,473,940)	(60,656)
Interest receivable	(104)	(104)
Defined benefit pension scheme cost less contributions payable	156,000	1,244,000
Defined benefit pension scheme finance (income)/cost	42,000	86,000
Decrease/(increase) in debtors	871,094	(299,306)
Increase in creditors	234,439	95,651
Assets transferred in on Conversion	(4,680,033)	-
Net pension liability transferred in on Conversion	335,000	-
Net cash provided by operating activities	712,121	156,025

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Interest received	104	104
Purchase of tangible fixed assets	(298,565)	(702,904)
Capital grants from DfE / ESFA	171,034	60,656
Net cash used in investing activities	(127,427)	(642,144)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	832,529	247,835

TRANSFORMING FUTURES MULTI ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	247,835	584,694	832,529

24. CAPITAL COMMITMENTS

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Capital projects proposed at Mount Tamar	239,740	-

25. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Peninsula Pensions (a shared administration service on behalf of Devon and Somerset administering authorities). Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

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.

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

25. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £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 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £1,064,848 (2022: £782,000).

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

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,046,000 (2022: £741,000), of which employer's contributions totalled £761,000 (2022: £508,000) and employees' contributions totalled £ 285,000 (2022: £233,000). The agreed contribution rates for future years are 21.9 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 30 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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25. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.90
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.20
Inflation assumption (CPI)	2.90	2.90

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

	2023	2022
	Years	Years
Retiring today:		
Males	21.4	21.7
Females	22.6	22.9
Retiring in 20 years:		
Males	22.7	23.0
Females	24.0	24.3

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate +0.1%	(156)	(154)
Discount rate -0.1%	161	159
Mortality assumption - 1 year increase	(156)	(144)
Mortality assumption - 1 year decrease	160	148
CPI rate +0.1%	161	158
CPI rate -0.1%	(156)	(154)

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	3,438,000	2,252,000
Corporate bonds	1,403,000	843,000
Property	543,000	423,000
Cash and other liquid assets	86,000	61,000
Other	978,000	666,000
Total market value of assets	6,448,000	4,245,000

The actual return on scheme assets was £97,000 (2022 - £(144,000)).

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

	2023 £	2022 £
Current service cost	(917,000)	(1,752,000)
Interest income	216,000	67,000
Interest cost	(258,000)	(153,000)
Total amount recognised in the Statement of Financial Activities	(959,000)	(1,838,000)

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

	2023 £	2022 £
AT 1 SEPTEMBER	5,412,000	8,914,000
Transferred in on existing academies joining the trust	1,360,000	-
Transferred out in respect of TUPE'd staff	(385,000)	-
Current service cost	917,000	1,752,000
Interest cost	258,000	153,000
Employee contributions	285,000	233,000
Actuarial gains	(1,385,000)	(5,594,000)
Benefits paid	6,000	(46,000)
At 31 August	6,468,000	5,412,000

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

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

	2023 £	2022 £
AT 1 SEPTEMBER	4,245,000	3,696,000
Transferred in on existing academies joining the trust	973,000	-
Transferred out in respect of TUPE'd staff	(333,000)	-
Interest income	218,000	69,000
Actuarial gains/(losses)	295,000	(213,000)
Employer contributions	761,000	508,000
Employee contributions	285,000	233,000
Benefits paid	6,000	(46,000)
Effects of non-routine settlements	(2,000)	(2,000)
At 31 August	6,448,000	4,245,000

26. OPERATING LEASE COMMITMENTS

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

	2023 £	2022 £
Not later than 1 year	131,790	196,013
Later than 1 year and not later than 5 years	115,088	201,159
	246,878	397,172

27. MEMBERS' LIABILITY

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

28. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations 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 a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.

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29. CONTROLLING PARTY

The Trust is controlled by its Trustees.

30. CONVERSION TO AN ACADEMY TRUST

On 1 March 2023 Mount Tamar converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Transforming Futures Multi Academy Trust Limited from Plymouth City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS			
Leasehold land and buildings	-	4,680,033	4,680,033
NON-CURRENT LIABILITIES			
LGPS pension deficit	(335,000)	-	(335,000)
NET (LIABILITIES)/ASSETS	(335,000)	4,680,033	4,345,033