

Ambitions Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number:
07977940 (England and Wales)

Ambitions Academies Trust

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Ambitions Academies Trust

Reference and Administrative Details

Members

Mr Alan Connell
Mr James Patrick (appointed 4 November 2021)
Mrs Caroline Sard
Mr Nigel Smith
Mr Paul Smith (appointed 5 July 2022)
Mrs Lesley Spain

Trustees

Mrs Caroline Sard (Chair of Trustees) *
Mr Richard Smith (Vice Chair) #
Mr Stephen Bates * (appointed 4 November 2021, resigned 31 August 2022)
Mrs Alison Beane (appointed 25 April 2022)
Mrs Marilyn Bramford * (resigned 31 December 2021)
Mrs Roz Scammell # (resigned 24 September 2022)
Mrs Berni Catling #
Mrs Louise Parker * (resigned 30 September 2022)
Mr Martin Luffman * (appointed 4 November 2021)
Mr Anthony Smith # (appointed 4 January 2022)
Mr John Seal # (appointed 8 April 2022)
Mr Roy Watson * (appointed 8 April 2022)
Mrs Pat Marchiori # (resigned 31 December 2021)

* Membership of Finance Committee

Membership of Audit & Risk Management Committee

Company Secretary

Mrs Carol Box

Senior Management Team:

Chief Executive Officer and Accounting Officer	Sian Thomas
Director of Primary Education	Alex Prout
Director of Secondary Education	Jon Webb
Director of Special Education	Nicki Morton
Director of Outcomes	Paul Holman
HR Director	Tracy Monk
Finance Director/Chief Financial Officer	Andy Connell
Estates Director	Ian Hawkins

Ambitions Academies Trust

Reference and Administrative Details

Company Name

Ambitions Academies Trust

Principal and Registered Office

Manorside Academy

Evering Avenue

Poole

Dorset

BH12 4JG

Company Registration Number

07977940 (England and Wales)

Independent Auditor

Hopper Williams & Bell Limited

Statutory Auditor

Highland House

Mayflower Close

Chandlers Ford

Eastleigh

Hampshire

SO53 4AR

Bankers

Lloyds Bank Plc

PO Box 1000

Andover

BX1 1LT

Solicitors

Michelmores LLP

Woodwater House

Pynes Hill

Exeter

Devon

EX2 5WR

Ambitions Academies Trust

Trustees' Report

The Trustees present their annual report together with the Financial Statements and Auditor's Report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Academy Trust operates six primary, four secondary, one studio school, and two special academies over 15 sites within Bournemouth, Poole and Weymouth. It has a combined roll of just over 5,800 students. The Trust also operates Ambitions Training School and Ambers Group Limited, a trading subsidiary that is controlled by the Trust. Ambers Group Limited runs Elm Nursery.

Structure, Governance and Management

Constitution

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

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

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

Method of Recruitment and Appointment or Election of Trustees

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

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

Ambitions Academies Trust

Trustees' Report

Method of Recruitment and Appointment or Election of Trustees (continued)

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

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

Policies and Procedures Adopted for the Induction and Training of Trustees

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

The Trust has a subscription with the National Governance Association (NGA) to support governance training and development of Trustees, Academy Committee members and Clerks with a comprehensive suite of e-Learning modules. As governance evolves, the NGA resources will provide updates on developments in the education sector and the best governance practices.

The governance training programme for 2022-23 has been rolled out to Trustees and Academy Committee members. This sets out a termly schedule along with modules to be completed upon induction.

There is a clear Scheme of Delegation and Terms of Reference for the Full Trust Board and each Committee. All Trustees operate within the governance code of conduct. Ongoing support is provided to the Trustees to enable them to fulfil their specific role on the Board.

The induction of the Academy Committee Members is undertaken by the Academy working closely with the Trust's Governance Lead to ensure consistency across the Trust.

Organisational Structure

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

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

The CEO is the Accounting Officer of the Trust.

Ambitions Academies Trust

Trustees' Report

Arrangements for setting pay and remuneration of key management personnel

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

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

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
8	6.71

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	7
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£4,119
Total pay bill	£40.5m
Percentage of the total pay bill spent on facility time	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	2.57%
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Related Parties and other Connected Charities and Organisations

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

Ambitions Academies Trust

Trustees' Report

Engagement with employees (including disabled persons)

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

- Continues to develop a Joint Negotiation and Consultation Committee consisting of members of the Trust and Unions. The purpose of this Committee is to review key policies and discuss issues which affect the staff looking at ways that both the Trust and the Unions can provide support. Full Committee meetings take place at least termly with sub-committees also meeting termly.
- Works with Unions in situations involving redundancy, re-structures, disciplinary matters, grievance, etc. and to ensure procedures are fair and equitable with relevant support being provided.
- Carries out staff surveys and share the results with staff. Actions identified from the survey are then implemented.
- Has set up a Wellbeing Forum consisting of members of staff (known as the Wellbeing Champions) from each of the Academies. This group meets termly to discuss factors relating to staff, feedback on wellbeing issues which have been identified in the Academies, promote wellbeing through noticeboards which are regularly updated, formulating in a wellbeing policy based on the "Five Steps to Wellbeing". By July 2022 the Trust had completed the work on the Workload and well-being charter. This charter was implemented in September 2022.

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

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

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

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

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

Ambitions Academies Trust

Trustees' Report

Engagement with suppliers, customers and others in a business relationship with the trust (cont.)

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

Objectives and Activities

Objects and Aims

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

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

Professional development, challenge, and support are at the heart of ensuring that staff are some of the finest teachers so they can deliver outstanding teaching. The mainstream and special classes benefit greatly from working collaboratively across the Trust. Ambitions Academies Trust has been appointed as a Teaching School since 2014 which has enabled us to build on our successful outreach and teacher training work. This now enables us to provide extensive support to many schools and Academies across Dorset. We have re-branded our Teaching school as a Training School following the changes to moving to Teaching School Hubs. AAT work collaboratively with the new Hub to ensure we support best practice across the local area.

After significant review the Trust invested in a 3 year subscription with the National College training platform to support consistent staff training and development. This platform provides a comprehensive suite of e-Learning modules that are constantly updated by industry professionals and tailored to roles within education. The platform also provides training audit functionality across all sites and staff to ensure compliance can be easily monitored for key training such as KCSIE and cyber security across all sites for National College resources will provide updates on developments in the education sector including Ofsted guidance and best practice in the education sector.

Ambitions Academies Trust

Trustees' Report

Objectives, Strategies and Activities

The aims of the Trust during the year ended 31 August 2022 are summarised below. A Trust governance review in February 2019 led to the Trustees undertaking a strategic review which included reassessing the Trust vision, values and mission statement and clarifying the future direction.

Vision and Values

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

Mission Statement

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

The Trust is entering the second year of the two year strategic plan adopted in 2021. The Trust's strategic objectives are:

- 1) To provide a quality of education that meets our pupils' needs enabling and is ambitious for their future progression.
- 2) Quality staff recruitment, ongoing training and deployment to develop our people.
- 3) Efficient and effective management of finance, ICT, resources and estates.
- 4) To ensure there is a culture of inclusivity where physical and emotional wellbeing is championed.

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

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

The CEO and Directors formally review progress of implementing the objectives three times per year.

Ambitions Academies Trust

Trustees' Report

Objectives, Strategies and Activities (continued)

HR:

- Identified and managed the move to a new payroll provider.
- Covid-19:
 - Ensured staff risk assessments were in place for staff who were vulnerable, extremely vulnerable or pregnant in line with government guidelines.
 - Provided guidance on working from home.
 - Advised on safe working practices in school in line with government guidelines.
 - Monitored sickness absence and Covid-19 related sickness absences.
- Wellbeing forum - worked with the Wellbeing Champions in supporting staff across the Trust. Developed a strategy for Apprenticeship training and recruitment.
- Developed the wider CPD strategy across the Trust. Implemented a 3-year policy cycle review.
- Reviewed support staff Job Descriptions.

Estates:

- Covid-19 – Produced a generic risk assessment for the Trust, attended all sites to produce bespoke risk assessments and continually amending to suit government guidelines and changing circumstances
- Estates continued to ensure compliance across all sites was achieved – the PMP process and the use of the Alchamus system are key to this.
- The Trust developed a process of spending its capital funds, this was producing 3-year site development plans which went through a process of scrutiny by the CEO and Directors, once this stage was complete recommendations then went to the Trustees to agree the projects.
- St Aldhelm's – Overseen install of a new canteen
- Oak – Overseen the de-camp of the school to one block in preparation for the new build project.
- Wey Valley – Installed LED lighting throughout the school.
- KPA – Installed new learning spaces.
- Refurbishment and additional facilities across many sites.

Finance:

- Provided support to staff and students returning to work and school life after the pandemic
- Continued development of the Trust Finance Leadership team.
- Introduction of apprentice levy funded courses for finance team staff.
- Introduction of Personal Development Plans for all finance staff.
- Review and development of month end processes.

Ambitions Academies Trust

Trustees' Report

Objectives, Strategies and Activities (continued)

ICT:

A comprehensive infrastructure and hardware lifecycle refresh programme has been established across the trust to support the three key aims for the ICT strategic plan.

- Consistent ICT for Teaching and Learning
- Consistent ICT for running the academies and organisation
- Consistent ICT for developing the organisation

The programme ensures effectiveness of the end user is achieved through well-functioning and well-maintained infrastructure.

Economy is ensured through utilising framework agreements and a system of ongoing review of ICT service support ensures that end users' needs are met.

The ICT strategy is in line with the Meeting digital and technology standards in schools guidance provided by the DfE.

Public Benefit

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

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

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

Ambitions Academies Trust

Trustees' Report

Strategic Report

Achievements and Performance

The 2021-22 academic year followed two previously disrupted years as a result of the Covid pandemic. Whilst this academic year did not experience any school closures due to direct lockdown disruption there was still considerable interruption to school continuity largely due to ongoing student and staff absence due to ongoing individual Covid illness. All schools within AAT remained open to ensure they provided the best support for the communities that they serve, however some year groups at certain schools did experience short periods of remote learning. This continued disruption continued to put a huge demand on the leaders and staff across most schools.

Attendance figures across all schools in AAT and nationally experienced a dip compared to pre pandemic years.

Although uncertain from the outset, 2021-22 was to see the return of end of key stage assessments including GCSE examinations yet there was to be no national comparisons.

All schools were facing the same national challenge of filling the educational gaps of students that had experienced two years of disruption. The AAT remote learning provision for students during the previous two years was robust yet clearly no long term substitute for in school learning.

From September 2021 AAT leaders and staff were relentless in their pursuit of the best learning opportunities for all the young people it serves. A key part of the educational strategy across all sectors of education at AAT was the explicit implementation of the reading strategy. Significant investment of time and staff training has been devoted to developing resources such as phonics, direct instruction, reading plus, lexia and accelerated reader. All have been steadily embedded to ensure that pupils arriving in our academies are supported to develop the required reading skills so they can access the broad age-related curriculum provided. This in turn supports their academic progress and attainment. Access to these resources as part of this programme appear to have supported students during periods of school absence due to Covid restrictions. Mathematics outcomes, however, mostly appear to have lacked the direct instruction opportunities and generally results are below that of previous years.

The Trustees education support and challenge programme continues to provide challenge for each educational sector. The link trustee role was further developed to strengthen the relationship with the associated local school Academy Advisory Committee.

Ambitions Academies Trust

Trustees' Report

Achievements and Performance (continued)

The vast majority of our Academies maintain good or outstanding Ofsted judgements. Five schools received an Ofsted visit in the 2021-22 academic year.

Both Bayside Academy and Kinson Academy visits were the first since they had joined the trust as failing schools and both received 'Good' judgements. St Aldhelm's Academy retained its 'Good' judgement whilst Oak Academy remained as 'Requires Improvement' as it continues its journey of school improvement.

Wey Valley Academy received a specific Ofsted safeguarding review visit which was found to be 'effective'.

Sector	Academy	Current Ofsted Judgement
Primary	Bayside Academy	Good
	Elm Academy	Outstanding
	Kinson Academy	Good
	King's Park Academy	Good
	Manorside Academy	Outstanding
	Queen's Park Academy	Outstanding
Secondary	All Saints' Church of England Academy	N/A due to transfer
	LeAF Studio	Good
	Oak Academy	Requires Improvement
	St Aldhelm's Academy	Good
	Wey Valley Academy	N/A due to transfer
Special	Longspee School	Outstanding
	Tregonwell Academy	Outstanding

Ambitions Academies Trust

Trustees' Report

Key Performance Indicators

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

Key Financial Performance Indicator 2021-22		Ambitions Academies Trust	Primary Academies	Secondary Academies	Special Academies
Year End Reserves: (excluding long term liabilities)	Target	8-12%	8-12%	8-12%	8-12%
	Actual	15%	55%	-11%	29%
Number of months' reserves:		1.9	6.7	(1.4)	3.8
Direct Staff cost as % of Income:	Target	60-70%	60-70%	60-70%	60-70%
	Actual	63%	66%	73%	56%
Total Staff cost as % of Income:	Target	70-75%	70-75%	70-75%	70-75%
	Actual	74%	83%	73%	64%

The Trust's year end reserves have improved across Primary and Special sectors during 2021-22. Both Primary and Special sectors hold reserves in excess of the KPI. The Secondary academies slightly increased their reserve deficit from -10% (2020-21) to -11%. The Trust reserve as a whole have remained static at 15% reserves which is above our KPI target.

The Trust's direct staff costs as a percentage of income have decreased from 64% (2020-21) to 63% in 2021-22. There has been a decrease the primary and special sectors while the secondary sector has seen an increase in direct staff costs as a percentage of income in 2021-22 when compared to 2020-21. The Primary academies at 66% are within their KPI target of 60-70%. The Specials are below the target KPI at 56%. This is due to the high level of supply in the special sector over the period. The Secondaries are above the KPI at 73%. This is a 5% increase from the previous year. The secondary academy increase has been attributed to the effect of lagged funding the Trust has had to increase direct staff costs as a result of additional students. The income for these students will not be seen until the following year.

The Trust's total staff costs as % of income has reduced from 77% (2020-21) to 74% in 2021-22. This is within the target KPI set for the Trust.

Ambitions Academies Trust

Trustees' Report

Going Concern

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

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

The Trustees recognise that St Aldhelm's Academy has significant legacy issues dating back to December 2012, resulting in a current deficit of £3.048m. This represents a reduction of £73.4k compared to the previous year. The Trust continues to work closely with the ESFA on its financial recovery plan, with quarterly reviews and detailed financial submissions to both the ESFA and Trustees. When St Aldhelm's Academy joined the Trust the Financial Notice to Improve was removed.

Promoting the success of the company

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

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

Ambitions Academies Trust

Trustees' Report

Financial Review

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

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

At 31 August 2022 the net book value of fixed assets was £92,290,030 (2021: £92,722,681). These assets were used exclusively for providing education to the Trust's pupils and related support services.

The trading subsidiary company, Ambers Group Limited, operated one nursery at Elm for two months of the financial year. The year-end reserves were £3,103 (2021: £41,630).

Ambitions Academies Trust

Trustees' Report

Reserves Policy

The Trust held a balance as at 31 August 2022, including St Aldhelm's Academy's deficit, of £90,939,447 (2021: £61,988,431), comprising of a surplus of £4,187,894 (2021: £5,104,406) of restricted funds, a pension reserve deficit of £10,453,000 (2021: £39,689,000), fixed asset reserves of £93,378,753 (2021: £94,267,884) and unrestricted reserves of £3,825,800 (2021: £2,305,141).

Total revenue reserves, which exclude the fixed asset fund of £93,378,753 (2021: £94,267,884) and the pension reserve deficit of £10,453,000 (2021: £39,689,000), as at 31 August 2022 were a surplus of £8,013,694 (2021: £7,409,547), again including St Aldhelm's Academy's legacy deficit. Excluding St Aldhelm's Academy's legacy deficit, total revenue reserves were a surplus of £11,063,113 (2021: £10,531,356). The fixed asset fund includes capital grants of £1,772,667 (2021: £3,369,297) for ongoing projects.

The Trust aims to hold between 8% and 12% of total revenue income in reserves. Currently the reserves held are 15%. The increase we have seen in 2021-22 has been driven by the greater economies of scale as NOR grow in total across all sites, and the Trust's ability to achieve value for money.

The pension reserve currently is in a deficit of £10,453,000 (2021: £39,689,000). This is a significant reduction in comparison with previous years. The actuarial valuation has changed due to increasing interest rates in the current economic climate. This remains a deficit that impacts on the total reserves of the Trust, but this does not mean that there is an immediate liability for this value. The impact on this value will be a potential increase in the pension contributions made to the LGPS. The Trust attempts to limit the potential future impact on the budgets by reviewing various scenarios during the budget setting process.

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

Investment Policy

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

Ambitions Academies Trust

Trustees' Report

Principal Risks and Uncertainties

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

The principal risks have been identified as:

Reputational – the continued success of attracting sufficient numbers of pupils to the Academies by maintaining and improving educational standards. Through reviewing local birth rates, the Trust is aware of lower numbers across the BCP area affecting our Primaries and putting together a strategy to mitigate the impact of this will have on the Trusts finance.

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

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

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

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

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

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

Ambitions Academies Trust

Trustees' Report

Fundraising

As part of its work within the community, the Trust undertakes fundraising activities. This includes both fundraising in order to support its own operations and also to make donations to local and national charities. The Trust does not engage commercial participants or professional fund raisers in any of its fundraising activities; the work is undertaken by staff, students, family and community. The Trust has received no complaints with regards to its fundraising work in the 2021-22 academic year. The Trustees are satisfied that the public, including vulnerable people, are not put under unreasonably intrusive or persistent fundraising approaches nor are they put under any pressure to donate to the Trust.

Streamlined Energy and Carbon Reporting

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

Energy type	2021/22	2020/21	
<u>Mandatory requirements:</u>			
Gas	3,979,088	5,260,302	*
Purchased electricity from the grid	1,801,362	2,649,893	
Transport fuel	105,011	90,232	
Total energy (mandatory)	5,885,461	8,000,427	*
<u>Voluntary requirements:</u>			
Consumed electricity from on-site renewable sources	701,154	701,154	
Total energy (voluntary)	701,154	701,154	
Total energy (mandatory & voluntary)	6,586,615	8,701,581	*

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

Emission source	2021/22	2020/21	
<u>Mandatory requirements:</u>			
<u>Scope 1</u>			
Natural gas	726.30	963.50	*
Company owned vehicles (minibuses)	16.00	18.00	
<u>Scope 2</u>			
Purchased electricity (location-based)	348.30	562.70	
<u>Scope 3</u>			
Category 6: Business travel (grey fleet)	10.10	4.50	
Total gross emissions (mandatory)	1,100.70	1,548.70	*
<u>Intensity ratios (mandatory emissions only)</u>			
Tonnes of CO ₂ e per pupil	0.18	0.28	*
Tonnes of CO ₂ e per square meter floor area	0.02	0.02	*
<u>Voluntary requirements:</u>			
<u>Scope 1</u>			
Consumed electricity from on-site renewable sources	-	-	
Total gross emissions (voluntary)	-	-	
Total gross emissions (mandatory & voluntary)	1,100.70	1,548.70	*

* Figures corrected from last year's report due to a calculation error on Gas MPR 1511704, Elm Academy

Ambitions Academies Trust

Trustees' Report

Streamlined Energy and Carbon Reporting (continued)

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all 13 schools controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

Reporting period

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

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas and minibus diesel consumption were compiled from meter readings, invoices and mileage records. Where invoices do not cover the full reporting year, the pro-rata estimation technique was applied. Mileage claims were used to calculate energy use and emissions associated with grey fleet. Solar Photovoltaic generation data was estimated based on the size of system and the yearly production of circa 1,130kWh/kWp installed. It is assumed that all of the electricity generated is used on site. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur as a consequence of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Intensity ratio

Two intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2021 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of the majority of emissions.

Ambitions Academies Trust

Trustees' Report

Streamlined Energy and Carbon Reporting (continued)

Energy efficiency action during current financial year

During the reporting year, the Trust continued wholesale measures to improve its energy efficiency, which together helped contribute to a 35.4% reduction in its tonnes of CO₂e emissions per pupil intensity ratio compared to last year.

Actions included the implementation of maintenance efficiency improvements to reduce heat loss this year, such as the ongoing project of installing double glazing at Manorside Academy, as well as new roofs at Wey Valley and Tregonwell Academies, improving the insulation. Behavioural changes employed across the Trust, regarding switching off lights and keep doors and windows closed, all has aided in reducing emissions this year.

The installation of a PIR lighting monitoring system at Wey Valley, a £500,000 LED installation project at Wey Valley and a new Building Management System at Wey Valley and All Saints, are all examples of the Trust significantly investing in technological solutions to improve its energy efficiency.

Another factor which saw the Trust's significant reduction in its per pupil intensity ratio this year was the improvement in metering and monitoring. Due to the lack of recorded data, consumption was estimated last year using the CIBSE TM44 Benchmark, on energy supplies at the following academies:

- Kinson Academy
- LeAF Studio
- Oak Academy
- Wey Valley Academy

This year, the Trust recorded meter reads on the energy supplies at these schools, which allowed for a more accurate calculation of these academies energy consumption.

Plans for Future Periods

The Trust had 13 Academies at the end of August 2022. These are across each of the following sectors Primary, Secondary, and Special. The Trustees continue to work to fulfil the Trust's charitable objectives vision and value in all of its academies.

The Trust will continue to explore opportunities to expand the Trust within its current geographical boundaries. The Trust plans to continue in its pursuit to raise standards and outcomes for the communities it serves. The Trust will persist in raising the level of quality of the educational settings ensuring the highest level of buildings and ICT for the delivery of education. The Trustees are focused on ensuring the continued financial viability of the Trust as a whole and each of the individual academies. The Trustees are also concentrating on securing the best outcomes and Ofsted judgements for all of the Trust's academies.

Ambitions Academies Trust

Trustees' Report

Funds Held as Custodian Trustee on Behalf of Others

The Trust does not hold assets or funds as custodian trustee on behalf of any other organisation.

Auditor

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2022 and signed on the board's behalf by:



CSSard (Dec 6, 2022 16:04 GMT)

Mrs C Sard
Chair of Trustees

Ambitions Academies Trust

Governance Statement

Scope of Responsibility

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

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

The Trust Board has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Ambitions Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Trust Board 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 Trust Board has formally met eight times during the year. Attendance during the year at meetings of the Full Trust Board was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Sard (Chair of Trustees)	8	8
Mr R Smith (Vice Chair of Trustees)	7	8
Mrs M Bramford (resigned 31-12-21)	3	3
Mrs P Marchiori (resigned 31-12-21)	0	3
Mrs L Parker	5	8
Mrs B Catling	7	8
Mrs R Scammel	3	8
Mr S Bates	7	8
Mr M Luffman	8	8
Mr A Smith	7	8
Mr J Seal (appointed 08-04-22)	4	5
Mr R Watson (appointed 08-04-22)	4	5
Mrs A Beane (appointed 25-04-22)	2	4

Ambitions Academies Trust

Governance Statement

Governance (continued)

Work in 2021-22 included:

Publishing a Strategic Plan for 2021-23 with updated objectives to support and direct the ongoing success of the Trust.

Recruiting six highly skilled Trustees with the support of Academy Ambassadors.

Strengthening the Academy Committees with new members, including parent and staff members.

Subscribing to the National Governance Association (NGA) to upskill Trustees, AAC Members and Clerks.

Refining the role of the Academy Link Trustee to strengthen the relationship between the Trust Board and the Academies. Link Trustees are invited to visit the school, attend the termly Academy Advisory Committees' meetings and join the feedback session of the Trust's Quality of Education Review.

The termly Chairs' forum for the Chair of Trustees and all Academy Committee Chairs with the CEO, Director for Outcomes and the Trust's Governance Lead has continued to provide a supportive and collaborative network.

Termly meetings, chaired by the Chair of Trustees, with each of the Education Directors and Link Trustees to monitor the progress of strategic priorities for the sector. A summary report is prepared for review by all Trustees with any questions being taken forward to the Trust Board Meeting.

Termly Members' meetings for the Members to hold the Trust Board to account. The Members receive a termly written report from the Trust Board.

In addition to the Full Trust Board meetings, the Trustees met three times to review the strategic plan and progress towards objectives.

Overall this academic year has seen significant challenges across the Trust. Staff absence continued to be a challenge due to the ongoing impact of the pandemic. The absence rate reduced in the summer term.

Staff recruitment has continued to be challenging.

Ambitions Academies Trust

Governance Statement

Governance (continued)

There has been real impact on improving the Quality of Education in the schools. Key areas are reading, curriculum development and alternative curriculum models.

The strategic objectives for Estates have been developed significantly this year with a process to ensure robust curriculum risk assessments.

Estate Development Plans have been implemented.

A DfE Project is progressing for a new build at Oak Academy.

The IT strategy is well embedded and has supported the Trust enormously in raising standards in the schools

The well-being and workload charter is ready for implementation as the Trust strives to make AAT the very best place to work.

The inclusion charter work has made significant progress.

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

Key areas of focus for the committee include:

- Monitoring and scrutiny of the monthly management accounts
- Staff Requisition information
- The increasing Utility Costs
- The Management of Debtors

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Bramford (Chair until 31-12-21)	2	2
Mr L Parker (Chair 01-01-22 - 15-04-22)	4	5
Mr S Bates (Co-Chair from 15-04-22)	7	7
Mr M Luffman (Co-Chair from 15-04-22)	7	7
Mrs C Sard	5	7

Ambitions Academies Trust

Governance Statement

Governance (continued)

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

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Smith (Committee Chair)	4	4
Mrs P Marchiori	0	2
Ms R Scammell	2	4
Mrs B Catling	3	4
Mr A Smith	4	4
Mr J Seal	1	2

The Trust held its Annual General Meeting on 10 February 2022 in accordance with the Articles of Association.

Conflicts of interest:

The Trust maintains a register of business interests, which includes Members, Trustees, Academy Advisory Committee members, and officers of the Trust that have a position of influence or work within the finance team. This is collected annually and updated when there are new appointments. The finance team requests that if someone has a change and a business interest arises during the year this is updated on the register of business interests.

Before engaging with a new supplier, the requisitioner who has identified a new supplier will indicate on the new supplier form whether they or anyone else within the Trust has a related party relationship or conflict of interest on the new supplier form. The finance team also reviews the register of business interest to ensure the new supplier is not identified on the register.

Where a conflict is identified the necessary checks and permissions are sought as required by the Academy Trust Handbook 2021. The Trust does not engage suppliers where there is a conflict of interest.

Governance reviews:

The Trustees completed their annual self-review using the NGA's 'MAT Governance self-evaluation questions'. The results enable the Trust Board to focus on areas for improvement. The results were presented to the Members.

Ambitions Academies Trust

Governance Statement

Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Trust Board where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year. The Trust prides itself on ensuring that value for money is achieved across all areas of the Trust. This can be evaluated through analysis of a variety of contracts that the Trust enters into, including alarm systems, photocopiers, ICT hardware, and ICT software. It is relentless in its pursuit of excellence so an important aspect of assessing value for money is linked to the outcomes provided by the various contracts. The Trust has a robust Preventative Maintenance Plan (PMP). All contracts are entered with regard to the compliance and maintenance of the estates and are also considered alongside a value for money evaluation. The Trust has implemented a robust system of ICT hardware refreshment across all sites. 2021-22 was the second year of a 10-year cycle of hardware refreshment across the Trust. This includes student and staff devices as well as infrastructure and servers.

Education Reviews

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

Trust Forums

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

Financial Effectiveness

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

Ambitions Academies Trust

Governance Statement

The Purpose of the System of Internal Control

The primary purpose of internal controls is to help safeguard an organisation and further its objectives. Internal controls function to minimise risks and protect assets, ensure accuracy of records, promote operational efficiency, and encourage adherence to policies, rules, regulations, and laws.

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. This has been achieved by commissioning an external review of internal controls. The system of internal control has been in place in Ambitions Academies Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and Financial Statements.

Capacity to Handle Risk

The Trust Board has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and Financial Statements. This process is regularly reviewed by the Trust Board.

Ambitions Academies Trust

Governance Statement

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and 12 periodic financial reports which are reviewed and agreed by the Full Trust Board
- Regular reviews by the Finance & Resource 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 through the Trust dashboard
- Clearly defined purchasing (asset purchase or capital investment) guidelines
- Identification and management of risks through the risk register.

The Trust Board has considered the need for a specific internal audit function and has decided to appoint an internal auditor. Trustees have appointed Filer Knapper, as the internal auditor, to perform additional checks.

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

The Audit and Risk Committee determine the schedule of work to be carried out throughout the year by Filer Knapper. The internal auditor reports to the Board after the report has been completed. Overall, no material control issues were found.

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

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

Ambitions Academies Trust

Governance Statement

Review of Effectiveness

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

- the work of the external auditor
- the work of the internal auditor
- the work of the Executive Managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- there has been an explicit Finance Planning Group at executive level, which has met on a fortnightly basis throughout the year to support the development and embedding of finance procedures across the Trust.

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

Approved by order of the members of the Board of Trustees on 5 December 2022 and signed on its behalf by:



CSSard (Dec 6, 2022 16:04 GMT)

Mrs C Sard
Chair of Trustees



Sian Thomas (Dec 7, 2022 08:00 GMT)

Ms S Thomas
Accounting Officer

Ambitions Academies Trust

Statement of Regularity, Propriety and Compliance

As Accounting Officer of Ambitions Academies Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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 2021.

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.

Sian Thomas
Sian Thomas (Dec 7, 2022 08:00 GMT)

Ms S Thomas
Accounting Officer
5 December 2022

Ambitions Academies Trust

Statement of Trustees' Responsibilities

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

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

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 group and 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 5 December 2022 and signed on its behalf by:



CSSard (Dec 6, 2022 16:04 GMT)

Mrs C Sard
Chair of Trustees

Ambitions Academies Trust

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

Opinion

We have audited the financial statements of Ambitions Academies Trust ('the parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been properly prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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 charitable group'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.

Ambitions Academies Trust

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Trustees' Report (including the Strategic Report), and the Governance Statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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; and
- 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 the knowledge and understanding of the group 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Ambitions Academies Trust

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

Responsibilities of the Trustees

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the charitable company 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 to preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Our 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 a Report of the Independent Auditors 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:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust, and the sector in which it operates. These include but are not limited to compliance with the Companies Act 2006, 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, the Academy Trust Handbook 2021, and the Academies Accounts Direction 2021 to 2022.
- We obtained an understanding of how the Academy Trust is complying with these frameworks through discussions with management.

Ambitions Academies Trust

Independent Auditor’s Report on the Financial Statements to the Members of Ambitions Academies Trust

- We enquired with management whether there were any instances of non-compliance with laws and regulations or whether they had knowledge of actual or suspected fraud. These enquiries are corroborated through follow-up audit procedures including but not limited to a review of legal and professional costs, correspondence and a review of board minutes.
- We assessed the susceptibility of the Academy Trust’s financial statements to material misstatement, including the risk of fraud and management override of controls. We designed our audit procedures to respond to this assessment, including the identification and testing of any related party transactions and the testing of journal transactions that arise from management estimates, that are determined to be of significant value or unusual in their nature.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team, including consideration of the engagement team’s knowledge and understanding of the sector in which the Academy Trust operates in, and their practical experience through training and participation with audit engagements of a similar nature.

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 Independent Auditor’s Report.

Use of our report

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

Michaela Johns

M Johns FCCA (Senior statutory auditor)
For and on behalf of Hopper Williams & Bell Limited
Statutory Auditor
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 07/12/2022

Ambitions Academies Trust

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

In accordance with the terms of our engagement letter dated 1 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ambitions Academies Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Ambitions Academies Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Ambitions Academies Trust's funding agreement with the Secretary of State for Education dated 30 July 2014 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Ambitions Academies Trust

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by the 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 to our conclusion includes:

- Consideration as to whether prior approval was sought from the Secretary of State where it is required by the Academy Trust Handbook (effective from 1 September 2021) (ATH).
- Review of any special payments to staff, including compromise agreements, to consider whether prior approval was sought where required by the ATH and that any payments are in line with the severance guidance published by ESFA.
- Consideration as to whether any borrowings have been made in accordance with the ATH.
- Review of any 'minded to' letters or Notices to Improve which have been issued to the Academy Trust.
- Review of any transactions with related parties to ensure that they have been carried out in accordance with the ATH.
- Review of governance arrangements to determine whether the requirements of the ATH have been met.
- Review of the Academy Trust's internal controls, including whether the general control environment has regard to the regularity of underlying transactions, including fraud management.
- Review of the Academy Trust's procurement policies to determine effectiveness and testing a sample of purchases to confirm that the policies have been correctly implemented.
- Identifying any conditions associated with specialist grant income and determining whether it has been spent as the purposes intended.

Ambitions Academies Trust

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Michaela Johns

M Johns FCCA
Reporting Accountant
Hopper Williams & Bell Limited
Chartered Accountants
Highland House, Mayflower Close, Chandlers Ford, Eastleigh SO53 4AR

Date 07/12/2022

Ambitions Academies Trust

Consolidated Statement of Financial Activities for the year ended 31 August 2022 (including Income and Expenditure Account)

	Note	Un-restricted funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2021/22 Total £	2020/21 Total £
Income and endowments from:							
Donations and capital grants	2	30,523	-	-	1,941,342	1,971,865	10,038,818
Transfer from local authority on conversion		-	-	-	-	-	(710,000)
Other trading activities	4	249,414	-	-	-	249,414	755,739
Investments	5	1,253	-	-	-	1,253	906
Charitable activities:							
Funding for the academy trust's educational operations	7	1,304,608	45,561,532	-	-	46,866,140	42,276,261
Total		1,585,798	45,561,532	-	1,941,342	49,088,672	52,361,724
Expenditure on:							
Raising funds	6	25,470	-	-	-	25,470	675,746
Charitable activities:							
Academy trust educational operations	7	39,669	46,268,293	4,420,000	3,040,224	53,768,186	44,318,011
Total		65,139	46,268,293	4,420,000	3,040,224	53,793,656	44,993,757
Net income / (expenditure)		1,520,659	(706,761)	(4,420,000)	(1,098,882)	(4,704,984)	7,367,967
Transfers between funds	18	-	(209,751)	-	209,751	-	-
Other recognised gains / (losses):							
Actuarial gains / (losses) on defined benefit pension schemes	28	-	-	33,656,000	-	33,656,000	(3,548,000)
Net movement in funds		1,520,659	(916,512)	29,236,000	(889,131)	28,951,016	3,819,967
Reconciliation of funds							
Total funds brought forward		2,305,141	5,104,406	(39,689,000)	94,267,884	61,988,431	58,168,464
Total funds carried forward		3,825,800	4,187,894	(10,453,000)	93,378,753	90,939,447	61,988,431
Academy Trust's net movement in funds		1,559,187	(706,762)	29,236,000	(1,098,882)	28,989,543	3,778,919

The notes on pages 42 to 71 form part of these financial statements.

Ambitions Academies Trust

Group and Academy Balance Sheets as at 31 August 2022

Company Number 07977940

	Note	Group		Academy	
		2022	2021	2022	2021
		£	£	£	£
Fixed assets					
Intangible assets	12	606	1,598	606	1,598
Tangible assets	13	92,289,424	92,721,083	92,289,424	92,721,083
		<u>92,290,030</u>	<u>92,722,681</u>	<u>92,290,030</u>	<u>92,722,681</u>
Current assets					
Debtors	15	2,106,166	2,004,030	2,106,388	2,103,347
Cash at bank and in hand		11,332,421	10,457,472	11,323,114	10,234,542
		<u>13,438,587</u>	<u>12,461,502</u>	<u>13,429,502</u>	<u>12,337,889</u>
Liabilities					
Creditors: Amounts falling due within one year	16	(4,331,023)	(3,500,135)	(4,325,041)	(3,418,152)
Net current assets		<u>9,107,564</u>	<u>8,961,367</u>	<u>9,104,461</u>	<u>8,919,737</u>
Total assets less current liabilities		101,397,594	101,684,048	101,394,491	101,642,418
Creditors:					
Amounts falling due after more than one year	17	(5,147)	(6,617)	(5,147)	(6,617)
Net assets excluding pension liability		101,392,447	101,677,431	101,389,344	101,635,801
Defined benefit pension scheme liability	28	(10,453,000)	(39,689,000)	(10,453,000)	(39,689,000)
Total net assets		<u>90,939,447</u>	<u>61,988,431</u>	<u>90,936,344</u>	<u>61,946,801</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	18	93,378,753	94,267,884	93,378,753	94,267,884
Restricted income fund	18	4,187,894	5,104,406	4,187,894	5,104,406
Pension reserve	18	(10,453,000)	(39,689,000)	(10,453,000)	(39,689,000)
Total restricted funds		<u>87,113,647</u>	<u>59,683,290</u>	<u>87,113,647</u>	<u>59,683,290</u>
Unrestricted income funds	18	3,825,800	2,305,141	3,822,697	2,263,511
Total funds		<u>90,939,447</u>	<u>61,988,431</u>	<u>90,936,344</u>	<u>61,946,801</u>

The financial statements on pages 39 to 71 were approved by the trustees and authorised for issue on 5 December 2022 and are signed on their behalf by:



CSSard (Dec 6, 2022 16:04 GMT)

Caroline Sard
Chair of Trustees

The notes on pages 42 to 71 form part of these financial statements.

Ambitions Academies Trust

Consolidated Statement of Cash Flows for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	22	1,504,928	4,062,927
Cash flows from financing activities	23	(1,470)	(501,470)
Cash flows from investing activities	24	(628,509)	(73,636)
Change in cash and cash equivalents in the reporting period		<u>874,949</u>	<u>3,487,821</u>
Cash and cash equivalents at 1 September 2021		10,457,472	6,969,651
Cash and cash equivalents at 31 August 2022	25	<u>11,332,421</u>	<u>10,457,472</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

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.

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements are prepared in sterling which is the functional currency of the Academy Trust and are rounded to the nearest £1.

Group financial statements

These financial statements consolidate the results of the Academy Trust and its wholly owned subsidiary, Ambers Group Limited, on a line by line basis. A separate Statement of Financial Activities for the parent Academy Trust itself is not presented. The registered office address of Ambers Group Limited is the same as the registered office address of the parent Academy Trust. Ambers Group Limited ceased trading during the year.

The Trust has taken advantage of exemption under the terms of FRS 102 not to disclose a cash flow for the Academy Trust alone as it is included within the consolidated cash flow.

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

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.

- 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.

- Grants

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

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

Capital grants are recognised 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.

- Other Income

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

- Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

- Donated fixed assets (excluding Transfers on conversion/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 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.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

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.

Intangible Fixed Assets

Intangible assets costing £1,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Purchased computer software	3 years straight line
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Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Tangible Fixed Assets

Assets costing £2,000 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.

Depreciation is provided on all tangible fixed assets other than 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:

Freehold Land and Buildings	Buildings 15-50 years straight line; not provided on land
Leasehold Land and Buildings	Buildings 15-50 years straight line; land 125 years straight line
Furniture and Equipment	25% reducing balance
Computer Equipment	3 years straight line
Motor Vehicles	5 years straight line

No depreciation has been provided on long leasehold land as it is similar to freehold land, which does not require depreciation.

Where the Academy Trust can identify the value of major components of freehold or leasehold buildings based upon additions following conversion to academy status, the Academy Trust reviews whether one or more such components have significantly different patterns of consumption of economic benefits. In such cases, the Academy Trust allocates the cost of the asset to its major components and depreciates each component separately over its useful life.

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.

Oak Academy is being replaced with a new building. At the year end, the old building was still in use but all students have been moved into one block. Consequently, no impairment charge has been recognised in the financial statements.

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.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Provisions

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

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

Leased Assets

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

Investments

The academy's shareholding in the wholly owned subsidiary, Ambers Group Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial Instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Amounts due from the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank

Cash at bank is classified as a basic financial instrument and is measured at face value. An investment is treated as a cash equivalent when it has a short maturity of three months or less from the date of acquisition.

Financial liabilities

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

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

Taxation

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

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

Pensions Benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

A defined benefit plan asset is recognised only to the extent that the Academy Trust expects to be able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

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 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.

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 (income) for pensions include the discount rate. Any changes in these assumptions 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 2022. 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.

The assumptions used are disclosed in note 28.

Critical areas of judgement

There are no other critical areas of judgement.

Agency arrangements

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

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
Capital grants	-	1,772,667	1,772,667	3,369,297
Donated fixed assets	-	168,675	168,675	6,653,441
Other donations	30,523	-	30,523	16,080
	<u>30,523</u>	<u>1,941,342</u>	<u>1,971,865</u>	<u>10,038,818</u>
Total 2021	<u>16,080</u>	<u>10,022,738</u>	<u>10,038,818</u>	

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	2021/22 Total £	2020/21 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	33,793,713	33,793,713	30,719,346
Pupil Premium	-	2,427,995	2,427,995	2,235,202
UIFSM	-	158,957	158,957	150,500
Rates reclaim	-	162,075	162,075	168,725
PE and sports grant	-	150,480	150,480	150,640
Teachers' pay grant	-	16,607	16,607	335,598
Teachers' pension grant	-	46,927	46,927	969,001
Other DfE grants	-	1,299,384	1,299,384	300,196
	-	38,056,138	38,056,138	35,029,208
Other Government grants				
Local authority grants	-	7,199,950	7,199,950	5,704,738
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	-	-	490,080
Summer schools programme fund	-	65,761	65,761	-
	-	65,761	65,761	490,080
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	77,874
Other Coronavirus funding	-	79,769	79,769	176,020
	-	79,769	79,769	253,894
Other income from the Academy Trust's educational operations				
Trip income	251,173	-	251,173	38,484
Catering income	441,212	-	441,212	208,808
Other income	612,223	159,914	772,137	551,049
	1,304,608	159,914	1,464,522	798,341
	1,304,608	45,561,532	46,866,140	42,276,261
Total 2021	409,296	41,866,965	42,276,261	

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

4 Other trading activities

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Hire of facilities	220,842	-	220,842	62,021
Other trading income	28,572	-	28,572	693,718
	<u>249,414</u>	<u>-</u>	<u>249,414</u>	<u>755,739</u>
Total 2021	<u>755,739</u>	<u>-</u>	<u>755,739</u>	

5 Investment income

	Unrestricted funds	Restricted funds	2021/22 Total	2020/21 Total
	£	£	£	£
Short term deposits	1,253	-	1,253	906
	<u>906</u>	<u>-</u>	<u>906</u>	
Total 2021	<u>906</u>	<u>-</u>	<u>906</u>	

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

6 Expenditure

	Staff costs £	Non Pay Expenditure		Total 2021/22 £	Total 2020/21 £
		Premises £	Other £		
Expenditure on raising funds	16,966	-	8,504	25,470	675,746
Academy's educational operations:					
Direct costs	30,664,177	-	5,993,946	36,658,123	30,983,367
Allocated support costs	9,819,299	3,171,117	4,119,647	17,110,063	13,334,644
	<u>40,500,442</u>	<u>3,171,117</u>	<u>10,122,097</u>	<u>53,793,656</u>	<u>44,993,757</u>
Total 2021	<u>35,603,651</u>	<u>2,407,432</u>	<u>6,982,674</u>	<u>44,993,757</u>	

Net income/(expenditure) for the period includes:

	2021/22 £	2020/21 £
Operating lease rentals	149,142	94,956
Amortisation	992	990
Depreciation	3,002,763	2,066,697
(Gain)/loss on disposal of fixed assets	-	(930)
Fees payable to auditor for:		
Audit	32,205	25,750
Other services	<u>15,420</u>	<u>11,700</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

7 Charitable activities

	2021/22 Total £	2020/21 Total £
Direct costs – educational operations	36,658,123	30,983,367
Support costs – educational operations	17,110,063	13,334,644
	<u>53,768,186</u>	<u>44,318,011</u>

Analysis of support costs:

	Educational operations £	2021/22 Total £	2020/21 Total £
Support staff costs	9,819,299	9,819,299	7,508,229
Amortisation	992	992	990
Depreciation	690,635	690,635	475,340
Technology costs	463,802	463,802	505,841
Premises costs	3,171,117	3,171,117	2,407,432
Legal costs - other	32,078	32,078	20,671
Other support costs	2,899,748	2,899,748	2,346,942
Governance costs	32,392	32,392	69,199
Total support costs	<u>17,110,063</u>	<u>17,110,063</u>	<u>13,334,644</u>
Total 2021	<u>13,334,644</u>	<u>13,334,644</u>	

Premises costs includes £36,469 (2021: £37,375) in respect of expenditure on capital projects, which were funded by capital grants from the ESFA.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

8 Staff

a) Staff costs

Staff costs during the period were:

	2021/22	2020/21
	£	£
Wages and salaries	26,612,085	24,184,496
Social security costs	2,620,891	2,260,722
Pension costs	9,519,773	7,754,633
	<u>38,752,749</u>	<u>34,199,851</u>
Agency staff costs	1,613,282	1,338,457
Staff restructuring costs	134,411	65,343
	<u>40,500,442</u>	<u>35,603,651</u>
Staff restructuring costs comprise:		
Redundancy payments	12,851	18,951
Severance payments	49,518	17,414
Other restructuring costs	72,042	28,978
	<u>134,411</u>	<u>65,343</u>

b) Severance payments

The academy trust paid 10 severance payments in the year, disclosed in the following bands:

	No.
£0 - £25,000	<u>10</u>

c) Special staff severance payments

Included in staff restructuring costs are special staff severance payments totalling £49,518 (2021: £17,414). Individually, the payments were: £20,993, £7,394, £6,150, £4,160, £4,157, £3,467, £1,963, £647, £586, and £1.

d) Staff numbers

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

	2021/22	2020/21
	No.	No.
Teachers	403	376
Administration and support	572	545
Management	23	23
	<u>998</u>	<u>944</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

e) Higher paid staff

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

	2021/22	2020/21
	No.	No.
£60,001 - £70,000	15	12
£70,001 - £80,000	9	11
£80,001 - £90,000	7	4
£90,001 - £100,000	1	-
£100,001 - £110,000	4	-
£110,001 - £120,000	-	4
£160,001 - £170,000	1	1

f) 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 £1,129,737 (2021: £1,111,965).

9 Related Party Transactions – Trustees’ remuneration and expenses

During the period ended 31 August 2022, no trustees received any remuneration or other benefits (2021: none).

During the period ended 31 August 2022, no trustees received any reimbursement of expenses (2021: none).

10 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 £10m. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

11 Central Services

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

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

The Trust charges for core services as an equal share across all Academies. Tregonwell Academy and Longspee Academy, being larger, have the equivalent of two Academies. The actual amounts charged during the year were as follows:

	2021/22	2020/21
	£	£
All Saints' Church of England Academy	159,300	151,980
Bayside Academy	159,300	151,980
Elm Academy	159,300	151,980
King's Park Academy	159,300	151,980
Kinson Academy	159,300	151,980
LeAF Studio	159,300	151,980
Longspee Academy	318,600	151,980
Manorside Academy	159,300	151,980
Oak Academy	159,300	151,980
Queen's Park Academy	159,300	151,980
St Aldhelm's Academy	159,300	151,980
Tregonwell Academy	318,600	300,540
Wey Valley Academy	159,300	151,980
	<u>2,389,500</u>	<u>2,124,300</u>

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

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

12 Intangible fixed assets

Group and Academy	Computer software £	Total £
Cost		
At 1 September 2021	50,495	50,495
At 31 August 2022	<u>50,495</u>	<u>50,495</u>
Amortisation		
At 1 September 2021	48,897	48,897
Charged in year	992	992
At 31 August 2022	<u>49,889</u>	<u>49,889</u>
Net book values		
At 31 August 2021	1,598	1,598
At 31 August 2022	<u>606</u>	<u>606</u>

13 Tangible fixed assets

Group and Academy	Freehold Land and Buildings £	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Motor Vehicles £	Total £
Cost						
At 1 September 2021	20,645,918	78,731,233	1,879,080	2,439,337	315,346	104,010,914
Acquisitions	198,205	1,845,082	54,339	424,738	48,740	2,571,104
Reclassifications	(10,185)	(331,200)	273,286	68,099	-	-
At 31 August 2022	<u>20,833,938</u>	<u>80,245,115</u>	<u>2,206,705</u>	<u>2,932,174</u>	<u>364,086</u>	<u>106,582,018</u>
Depreciation						
At 1 September 2021	1,406,484	6,758,148	1,236,733	1,731,869	156,597	11,289,831
Charged in year	497,804	1,823,489	231,603	400,988	48,879	3,002,763
Reclassifications	(85)	(916)	(1,128)	2,129	-	-
At 31 August 2022	<u>1,904,203</u>	<u>8,580,721</u>	<u>1,467,208</u>	<u>2,134,986</u>	<u>205,476</u>	<u>14,292,594</u>
Net book values						
At 31 August 2021	19,239,434	71,973,085	642,347	707,468	158,749	92,721,083
At 31 August 2022	<u>18,929,735</u>	<u>71,664,394</u>	<u>739,497</u>	<u>797,188</u>	<u>158,610</u>	<u>92,289,424</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

14 Investments

The Academy Trust is the sole member of Ambers Group Limited, registered in England & Wales (no. 10861330). The results of Ambers Group Limited are included within the consolidated financial statements. Ambers Group Limited ceased trading during the year.

15 Debtors

	Group		Academy	
	2021/22	2020/21	2021/22	2020/21
	£	£	£	£
Trade debtors	36,282	207,104	36,282	200,615
Amounts owed by group undertakings	-	-	222	106,924
VAT recoverable	574,838	478,895	574,838	478,895
Other debtors	-	35,656	-	35,656
Prepayments and accrued income	1,495,046	1,282,375	1,495,046	1,281,257
	<u>2,106,166</u>	<u>2,004,030</u>	<u>2,106,388</u>	<u>2,103,347</u>

16 Creditors: amounts falling due within one year

	Group		Academy	
	2021/22	2020/21	2021/22	2020/21
	£	£	£	£
Trade creditors	870,121	326,868	870,121	323,980
Other taxation and social security	595,922	544,272	595,922	544,272
Loans falling due within one year	1,470	1,470	1,470	1,470
Other creditors falling due within one year	855,460	745,919	855,460	745,897
Accruals and deferred income	2,008,050	1,881,606	2,002,068	1,802,533
	<u>4,331,023</u>	<u>3,500,135</u>	<u>4,325,041</u>	<u>3,418,152</u>

	Group		Academy	
	2021/22	2020/21	2021/22	2020/21
	£	£	£	£
Deferred income at 1 September 2021	564,989	462,766	496,101	462,766
Released from previous years	(564,989)	(462,766)	(496,101)	(462,766)
Resources deferred in the year	500,911	564,989	500,911	496,101
Deferred income at 31 August 2022	<u>500,911</u>	<u>564,989</u>	<u>500,911</u>	<u>496,101</u>

Deferred income arises from grants paid in advance, covering the first seven months of the forthcoming financial year. These include UIFSM, Rates Relief, and other grants.

Loans falling due within one year relate to an interest-free Salix loan of £1,470 (2021: £1,470) which is repayable in instalments.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

17 Creditors: amounts falling due in greater than one year

	Group		Academy	
	2021/22	2020/21	2021/22	2020/21
	£	£	£	£
Loans falling due in greater than one year	5,147	6,617	5,147	6,617

Loans comprise of an interest free Salix loan which is repayable in instalments.

18 Funds

	Balance at 1 September					Balance at 31 August	
	2021	Income	Expenditure	Transfers	Gains and losses	2022	
	£	£	£	£	£	£	£
Restricted general funds							
General Annual Grant (GAG)	7,975,167	33,793,713	(34,732,955)	(282,141)	-	6,753,784	
Pupil premium	-	2,427,995	(2,427,995)	-	-	-	
UIFSM	-	158,957	(158,957)	-	-	-	
Rates reclaim	-	162,075	(162,075)	-	-	-	
PE and sports grant	-	150,480	(150,480)	-	-	-	
Teachers' pay grant	-	16,607	(16,607)	-	-	-	
Teachers' pension grant	-	46,927	(46,927)	-	-	-	
Other DfE grants	-	1,299,384	(815,855)	-	-	483,529	
Local authority grants	-	7,199,950	(7,199,950)	-	-	-	
Catch-up premium	251,048	-	(251,048)	-	-	-	
Summer schools programme	-	65,761	(65,761)	-	-	-	
Other Coronavirus funding	-	79,769	(79,769)	-	-	-	
Sponsored academy deficit	(3,121,809)	-	-	72,390	-	(3,049,419)	
Other educational activities	-	159,914	(159,914)	-	-	-	
	5,104,406	45,561,532	(46,268,293)	(209,751)	-	4,187,894	
Pension reserve	(39,689,000)	-	(4,420,000)	-	33,656,000	(10,453,000)	
	(34,584,594)	45,561,532	(50,688,293)	(209,751)	33,656,000	(6,265,106)	
Restricted fixed asset funds							
Fixed asset fund	92,722,681	-	(3,003,755)	2,571,104	-	92,290,030	
ESFA capital grants (DFC)	17,956	146,751	-	(160,156)	-	4,551	
ESFA capital grants (SCA)	1,510,957	1,341,998	(36,469)	(1,732,314)	-	1,084,172	
Other capital grants	16,290	283,918	-	(300,208)	-	-	
Donated fixed assets	-	168,675	-	(168,675)	-	-	
	94,267,884	1,941,342	(3,040,224)	209,751	-	93,378,753	
Total restricted funds	59,683,290	47,502,874	(53,728,517)	-	33,656,000	87,113,647	
Total unrestricted funds	2,305,141	1,585,798	(65,139)	-	-	3,825,800	
Total funds	61,988,431	49,088,672	(53,793,656)	-	33,656,000	90,939,447	

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 Funds (continued)

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

General annual grant

This includes all funding received from the ESFA to carry out the objectives of the academy. It includes the school budget share; minimum funding guarantee; education services grant; insurance; rates; and pre-16 high needs funding streams.

Other DfE/ESFA grants

This is funding received from the ESFA for specific purposes.

Local authority grants

This is funding received from the local authority for specific purposes, for example Special Educational Needs funding.

Other educational activities

This includes all other educational income/expenditure.

Pension reserve

This represents the negative reserve in respect of the liability on the LGPS pension scheme which was transferred to the Academy Trust on conversion.

Fixed asset fund

The fund includes the value of the tangible fixed assets of the academy on conversion, and amounts transferred from GAG or other restricted funds specifically for expenditure on tangible fixed assets, and the annual charges for depreciation of these assets.

DfE/ESFA capital grants, including School Condition Allocation (SCA)

This is funding received from the DfE/ESFA specifically for expenditure on tangible fixed assets.

Transfers between funds

Transfers to the restricted fixed asset fund represent the cost of fixed asset additions which have been funded from restricted or unrestricted general funds.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 Funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2021/22	2020/21
	£	£
All Saints' Church of England Academy	1,411,908	1,338,927
Bayside Academy	529,484	545,338
Elm Academy	2,851,717	2,677,820
King's Park Academy	2,061,595	1,883,256
Kinson Academy	(263,801)	(105,088)
LeAF Studio	(820,574)	(803,656)
Longspee Academy	1,769,114	1,452,205
Manorside Academy	243,073	200,298
Oak Academy	(1,069,820)	(462,236)
Queen's Park Academy	1,777,480	1,668,908
St Aldhelm's Academy	(3,049,419)	(3,121,809)
Tregonwell Academy	576,438	280,490
Wey Valley Academy	845,246	921,117
Central services	1,151,253	933,977
Total before fixed assets and pension reserve	<u>8,013,694</u>	<u>7,409,547</u>
Restricted fixed asset fund	93,378,753	94,267,884
Pension reserve	<u>(10,453,000)</u>	<u>(39,689,000)</u>
Total	<u>90,939,447</u>	<u>61,988,431</u>

The following academies are carrying a net deficit on their portion of the funds as follows:

	£
Kinson Academy	263,801
LeAF Studio	820,574
Oak Academy	1,069,820
St Aldhelm's Academy	<u>3,049,419</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 Funds (continued)

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

Kinson Academy has declining pupil numbers. In the BCP area there is an overall reduction in primary aged pupils forecasted currently and for the following five years. To address this, we are currently undertaking a promotional and publicity campaign. The school has also had additional curriculum areas to enhance the curriculum offer. We now have a successful nursery provider operating on the site that works closely with the school. It is envisaged this will increase the uptake of reception places within the school. The school had an Ofsted inspection during the academic year resulting in a Good judgment; this is a significant improvement on the previous Ofsted judgment and has helped remove barriers to Kinson becoming a school of choice for local families. The staffing structure has been reviewed to ensure there is a more streamlined staffing; this has included a reduction to the cost of the overall SLT team.

LeAf Studio had a £1m brought forward deficit from the predecessor trust. In 2021-22 it had a deficit of £17k. Since it has been part of AAT, the historical deficit has reduced to £820k. LeAf has a settled staff structure with many staff at the top of their grade points. It is a small studio school with a PAN of 500, therefore it is difficult to grow the site. LeAf will be a break-even site when looked at over several years.

Oak Academy has built up a deficit due to historically declining pupil numbers. The curriculum offer has been reviewed to offer a broader curriculum to encourage more pupils to attend Oak, but this has led to an in-year deficit for 2021-22 of £608k. Oak also carries a number of TUPE staff that are on pay grades greater than and not aligned to the AAT pay grades. Looking forward, Oak is now increasing its pupil numbers - the October 2022 census has 48 additional students when compared with the same census last year. Oak has been selected to be a part of the DfE's new build project - the positive impact of brand-new school buildings on the site due for completion in August 2024 will help raise the profile of Oak Academy. In conjunction with these works, we are currently undertaking a promotional and publicity campaign. As the schools fills up its student places with an increased number on roll, it will be able to reach economies of scale to produce a surplus in future years.

St Aldhelm's Academy had a surplus in 2019-20, had a surplus for 2020-21 of £471k, and has a surplus for 2021-22 of £72,390. It has set a surplus in-year budget for 2022-23 which is reducing the historic deficit. The historic deficit is linked to the £1.25m fraud incident that resulted in a loan from the ESFA prior to AAT taking the academy on. There has been five years of increasing pupil numbers. This has been balanced against a broad curriculum needed to ensure pupil numbers continued to grow.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 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 (excl. dep- reciation) £	2021/22 Total £	2020/21 Total £
All Saints' C of E Academy	3,889,869	835,879	437,964	638,645	5,802,357	5,068,020
Bayside Academy	1,161,545	508,012	128,815	257,622	2,055,994	1,865,003
Elm Academy	1,728,095	529,538	168,376	356,290	2,782,299	2,395,299
King's Park Academy	2,287,538	627,791	246,843	478,502	3,640,674	3,216,586
Kinson Academy	1,007,889	465,059	75,185	250,537	1,798,670	1,702,434
LeAF Studio	1,436,017	599,849	686,218	355,628	3,077,712	2,835,099
Longspee Academy	2,227,614	1,262,290	163,502	504,374	4,157,780	2,310,062
Manorside Academy	1,686,167	533,301	139,484	360,597	2,719,549	2,293,247
Oak Academy	2,615,098	750,577	238,060	1,075,417	4,679,152	3,834,581
Queen's Park Academy	1,545,209	514,297	181,866	276,232	2,517,604	2,221,260
St Aldhelm's Academy	3,855,477	869,905	413,304	928,418	6,067,104	4,797,327
Tregonwell Academy	2,903,536	1,306,243	407,109	442,729	5,059,617	4,926,623
Wey Valley Academy	4,320,123	1,033,524	395,092	682,650	6,431,389	5,460,529
	<u>30,664,177</u>	<u>9,836,265</u>	<u>3,681,818</u>	<u>6,607,641</u>	<u>50,789,901</u>	<u>42,926,070</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

18 Funds (continued)

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

	Balance at 1 September 2020		Income	Expenditure	Transfers	Gains and losses	Balance at 31 August 2021
	£	£	£	£	£	£	£
Restricted general funds							
General Annual Grant (GAG)	5,754,419	30,719,346	(28,490,269)	(8,329)	-	-	7,975,167
Pupil premium	-	2,235,202	(2,235,202)	-	-	-	-
UIFSM	-	150,500	(150,500)	-	-	-	-
Rates reclaim	-	168,725	(168,725)	-	-	-	-
PE and sports grant	-	150,640	(150,640)	-	-	-	-
Teachers' pay grant	-	335,598	(335,598)	-	-	-	-
Teachers' pension grant	-	969,001	(969,001)	-	-	-	-
Other DfE grants	48,367	260,196	(308,563)	-	-	-	-
Teaching School Grants	112,539	241,275	(50,294)	(303,520)	-	-	-
Local authority grants	199,286	5,704,738	(5,904,024)	-	-	-	-
Catch-up premium	-	490,080	(239,032)	-	-	-	251,048
Coronavirus Job Ret'n Scheme	-	54,798	(54,798)	-	-	-	-
Other Coronavirus funding	-	176,020	(176,020)	-	-	-	-
Transfer on conversion	22,306	-	(22,306)	-	-	-	-
Sponsored academy deficit	(3,434,588)	-	-	312,779	-	-	(3,121,809)
Sponsored academy loan	(500,000)	-	500,000	-	-	-	-
Other educational activities	14,284	210,846	(225,130)	-	-	-	-
	<u>2,216,613</u>	<u>41,866,965</u>	<u>(38,980,102)</u>	<u>930</u>	<u>-</u>	<u>-</u>	<u>5,104,406</u>
Pension reserve	<u>(32,965,000)</u>	<u>-</u>	<u>(3,176,000)</u>	<u>-</u>	<u>(3,548,000)</u>	<u>(3,548,000)</u>	<u>(39,689,000)</u>
	<u>(30,748,387)</u>	<u>41,866,965</u>	<u>(42,156,102)</u>	<u>930</u>	<u>(3,548,000)</u>	<u>(3,548,000)</u>	<u>(34,584,594)</u>
Restricted fixed asset funds							
Fixed asset fund	85,402,158	(710,000)	(2,066,757)	10,097,280	-	-	92,722,681
ESFA capital grants (DFC)	74,653	225,352	(37,375)	(244,674)	-	-	17,956
ESFA capital grants (SCA)	1,567,918	1,432,107	-	(1,489,068)	-	-	1,510,957
Other capital grants	25,961	1,711,838	(10,482)	(1,711,027)	-	-	16,290
Donated fixed assets	-	6,653,441	-	(6,653,441)	-	-	-
	<u>87,070,690</u>	<u>9,312,738</u>	<u>(2,114,614)</u>	<u>(930)</u>	<u>-</u>	<u>-</u>	<u>94,267,884</u>
Total restricted funds	<u>56,322,303</u>	<u>51,179,703</u>	<u>(44,270,716)</u>	<u>-</u>	<u>(3,548,000)</u>	<u>(3,548,000)</u>	<u>59,683,290</u>
Total unrestricted funds	<u>1,846,161</u>	<u>1,182,021</u>	<u>(723,041)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,305,141</u>
Total funds	<u>58,168,464</u>	<u>52,361,724</u>	<u>(44,993,757)</u>	<u>-</u>	<u>(3,548,000)</u>	<u>(3,548,000)</u>	<u>61,988,431</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

19 Analysis of net assets between funds

	Un- restricted funds £	Restricted general funds £	Restricted pension funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	-	606	606
Tangible fixed assets	-	-	-	92,289,424	92,289,424
Current assets	3,825,800	8,524,064	-	1,088,723	13,438,587
Current liabilities	-	(4,331,023)	-	-	(4,331,023)
Non-current liabilities	-	(5,147)	-	-	(5,147)
Pension scheme liability	-	-	(10,453,000)	-	(10,453,000)
Total net assets	3,825,800	4,187,894	(10,453,000)	93,378,753	90,939,447

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

	Un- restricted funds £	Restricted general funds £	Restricted pension funds £	Restricted fixed asset funds £	Total funds £
Intangible fixed assets	-	-	-	1,598	1,598
Tangible fixed assets	-	-	-	92,721,083	92,721,083
Current assets	2,305,141	8,611,158	-	1,545,203	12,461,502
Current liabilities	-	(3,500,135)	-	-	(3,500,135)
Non-current liabilities	-	(6,617)	-	-	(6,617)
Pension scheme liability	-	-	(39,689,000)	-	(39,689,000)
Total net assets	2,305,141	5,104,406	(39,689,000)	94,267,884	61,988,431

20 Capital commitments

	2021/22 £	2020/21 £
Contracted for, but not provided in the financial statements	342,193	-

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

21 Long-term commitments, including operating leases

Operating leases

At 31 August 2022 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2021/22	2020/21
	£	£
Amounts due within one year	164,147	141,736
Amounts due between one and five years	248,568	285,673
Amounts due after five years	15,625	-
	<u>428,340</u>	<u>427,409</u>

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

	2021/22	2020/21
	£	£
Net (expenditure) / income for the reporting period	(4,704,984)	7,367,967
Adjusted for:		
Amortisation	992	990
Depreciation	3,002,763	2,066,697
(Gain)/loss on disposal of fixed assets	-	(930)
Capital grants from DfE and other capital income	(1,941,342)	(10,022,738)
Interest receivable	(1,253)	(906)
Defined benefit pension scheme cost less contributions payable	3,763,000	2,645,000
Defined benefit pension scheme finance cost	657,000	531,000
Transfer from local authority on conversion	-	710,000
(Increase) / decrease in debtors	(102,136)	310,034
Increase in creditors	830,888	455,813
Net cash provided by Operating Activities	<u>1,504,928</u>	<u>4,062,927</u>

23 Cash flows from financing activities

	2021/22	2020/21
	£	£
Repayments of borrowing	(1,470)	(501,470)
Net cash used in financing activities	<u>(1,470)</u>	<u>(501,470)</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

24 Cash flows from investing activities

	2021/22	2020/21
	£	£
Dividends, interest and rents from investments	1,253	906
Proceeds from sale of tangible fixed assets	-	930
Purchase of tangible fixed assets	(2,402,429)	(3,444,769)
Capital grants from DfE Group	1,488,749	1,657,459
Capital funding received from sponsors and others	283,918	1,711,838
Net cash used in investing activities	<u>(628,509)</u>	<u>(73,636)</u>

25 Analysis of cash and cash equivalents

	2021/22	2020/21
	£	£
Cash at bank and in hand	<u>11,332,421</u>	<u>10,457,472</u>

26 Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Acquisition/ disposal of subsidiaries £	New finance leases £	Other non-cash changes £	At 31 August 2022 £
Cash	10,457,472	874,949	-	-	-	11,332,421
Loans falling due within one year	(1,470)	-	-	-	-	(1,470)
Loans falling due after more than one year	(6,617)	1,470	-	-	-	(5,147)
Total	<u>10,449,385</u>	<u>876,419</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,325,804</u>

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.

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

28 Pension and similar obligations

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 Dorset County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £660,749 were payable to the schemes at 31 August 2022 (2021: £596,649) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

28 Pension and similar obligations (continued)

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £3,748,561 (2021: £3,449,343).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was as follows:

	2022	2021
	£	£
Employer's contributions	1,974,000	1,691,000
Employees' contributions	551,000	493,000
	<u>2,525,000</u>	<u>2,184,000</u>

The agreed contribution rates for future years are 22.0% for employers and 5.5% to 12.5% for employees.

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

Principal actuarial assumptions

	2022	2021
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	4.25%	1.65%
Inflation assumption (CPI)	<u>2.90%</u>	<u>2.90%</u>

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

	2022	2021
Retiring today		
Males	22.1	23.1
Females	<u>24.2</u>	<u>24.6</u>
Retiring in 20 years		
Males	23.4	24.4
Females	<u>25.6</u>	<u>26.1</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

28 Pension and similar obligations (continued)

Sensitivity analysis

	Increase/(reduction) in defined benefit obligation	
	2022	2021
	£	£
Discount rate +0.1%	(929,000)	(1,689,000)
Discount rate -0.1%	955,000	1,736,000
Mortality assumption – 1 year increase	1,090,000	2,622,000
Mortality assumption – 1 year decrease	(1,058,000)	(2,520,000)
CPI rate +0.1%	896,000	1,566,000
CPI rate -0.1%	(873,000)	(1,525,000)

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

	2022	2021
	£	£
Equities	14,082,000	13,794,000
Gilts	2,869,000	3,010,000
Corporate bonds	1,304,000	1,505,000
Property	2,608,000	2,257,000
Cash and other liquid assets	522,000	502,000
Other	4,693,000	4,012,000
Total market value of assets	<u>26,078,000</u>	<u>25,080,000</u>

The actual return on scheme assets was -£1,099,000 (2021: £4,239,000).

Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£	£
Current service cost	5,719,000	4,319,000
Past service cost	18,000	17,000
Interest income	(413,000)	(303,000)
Interest cost	1,070,000	834,000
Total amount recognised in the SOFA	<u>6,394,000</u>	<u>4,867,000</u>

Ambitions Academies Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

28 Pension and similar obligations (continued)

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

	2021/22	2020/21
	£	£
At 1 September	64,769,000	52,081,000
Current service cost	5,719,000	4,319,000
Interest cost	1,070,000	834,000
Employee contributions	551,000	493,000
Actuarial (gain) / loss	(35,168,000)	7,484,000
Benefits paid	(428,000)	(459,000)
Past service cost	18,000	17,000
At 31 August	<u>36,531,000</u>	<u>64,769,000</u>

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

	2021/22	2020/21
	£	£
At 1 September	25,080,000	19,116,000
Interest income	413,000	303,000
Actuarial (loss) / gain	(1,512,000)	3,936,000
Employer contributions	1,974,000	1,691,000
Employee contributions	551,000	493,000
Benefits paid	(428,000)	(459,000)
At 31 August	<u>26,078,000</u>	<u>25,080,000</u>

29 Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

30 Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2022 the Academy Trust received and disbursed £15,766 from the fund. There were no undistributed funds repayable to ESFA. Comparatives for the accounting period ending 31 August 2021 are £20,598 received, £20,183 disbursed, and no undistributed funds repayable to ESFA.