
BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	John Latham CBE Philip Hamilton OBE David Frost CBE John Dishman Kate Quantrell
Trustees	Stuart Stanley, Chair Eileen Hartley, Vice Chair Lorraine Gearing Joseph Kevin Grindley Norman MacDonald Daniel Gutteridge Ulysses Lyons, CEO Harinder Bains (appointed 29 March 2023) Paul Kendrick (appointed 29 March 2023) Elizabeth Bunn (appointed 29 March 2023) David Shaun Hides (appointed 29 March 2023) Obinna Okwuadigbo (resigned 5 October 2022) Kate Quantrell (resigned 28 March 2023)
Company registered number	10817914
Company name	Better Futures Multi-Academy Trust
Principal and registered office	Coventry University Priory Street Coventry CV1 5FB
Company secretary	Jacqueline Twigger
Executive Team	Ulysses Lyons, Chief Executive Officer Christopher Timothy, Chief Development Officer Lee Sands, Chief Operating Officer Charlotte Allen-Neale, Chief Finance Officer (resigned 1 November 2022) Dominic Harrex, Chief Finance Officer (appointed 2 November 2022) Eleanor Jones, Director of Student Leadership (on sabbatical from 1 September 2023) James Bagley, Principal at Gateway College David Shaw, Principal at Bilborough College Stuart Noss, Principal at King Edward VI College

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers

Barclays Bank
High Street
Coventry
CV1 1ZZ

Allica Bank
2-3 Eldon Street
London
EC2M 7LS

Solicitors

Eversheds Sutherland
115 Colmore Row
Birmingham
B3 3AL

BETTER FUTURES MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the Financial Statements and auditor's report of the charitable company for the year to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operates three 16-19 academies. King Edward VI College (Nuneaton) joined the Trust in January 2019, followed by Bilborough College (Nottingham) in November 2019 and Gateway College (Leicester) in April 2020. Collectively, the academies have circa 4,600 learners on roll for the 2023-24 academic year. The Academy Trust is sponsored by Coventry University.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Better Futures Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Better Futures Multi Academy 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.

b. Members' liability

Each Member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while 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.

c. Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any wrongful act of which they may be guilty in relation to the Trust. The insurance does not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty, or to the cost of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust.

d. Method of recruitment and appointment or election of Trustees

Trustees are appointed in accordance with the Trust's Articles of Association. The Members may appoint up to 7 Trustees and Coventry University as the Sponsor may appoint up to 6 Trustees. The Trust has made provision in its Scheme of Delegation for there to be at least two Parent Local Governors on each of the constituent Local Governing Bodies.

The Trust's search process is overseen by a Search and Governance Committee. Membership of the Trust Board is focused on acquiring the skills, experience and diversity required for the Board to be effective.

Trustees are appointed for a term of office not exceeding four years, upon the expiry of which they may be re-appointed for a further term. The Trust's Scheme of Delegation reflects widely recognised best practice that a maximum of 2 terms or 8 years (whichever greater) is served with the option to extend further in exceptional circumstances

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

A comprehensive induction framework is in place for Trustees. All Trustees receive support from their Board colleagues and from the Company Secretary. In line with the Trust's commitment to continuous development for all involved in governance, external training has been delivered jointly to Trustees and Governors. During the period covered by this report, training themes have included Safeguarding and Constructive Challenge.

Trustees are encouraged to participate in regular external training including an annual programme of governance webinars delivered by the Sixth Form Colleges Association. A dedicated strategy event is held annually and regular deep dives scheduled at Trust Board meetings. The Company Secretary participates in professional governance networks and is able to share best practice with Trustees where this is identified. Self-assessment also informs the on-going development and training of Trustees.

f. Organisational structure

The Executive Management Team is disclosed on page 1. The CEO is the Accounting Officer and has delegated authority for the day to day management/running of the Trust. The CEO is supported by an Executive Team that includes a CFO. Each of the Academies has a Principal that reports to the CEO. The Academies have powers delegated to them for operational and budgetary matters through a Scheme of Delegation which is reviewed at least annually.

The committee structure of the Board of Trustees consists of:

- Search and Governance Committee
- Finance and Audit Committee
- Student Development Committee
- Executive Performance and Remuneration Committee
- Local Governing Bodies

With the exception of Local Governing Bodies, Trustees always form the majority of Board sub-Committee memberships.

g. Arrangements for setting pay and remuneration of key management personnel

The Executive Performance and Remuneration Committee is responsible for reviewing and making recommendations to the Board with regard to remuneration of the Trust's leadership. The Committee bases its recommendations on independent research data provided by the Sixth Form Colleges Association and the advice of other industry representatives, as considered appropriate. A robust pay policy ensures that decisions regarding levels of Executive pay (including salary and any other benefits) are transparent, proportionate and justifiable.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	5
Full-time equivalent employee number	3.8

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£000
Total cost of facility time	21
Total pay bill	18,858
Percentage of total pay bill spent on facility time	0.11 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	2.16 %
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i. Related parties and other connected charities and organisations

The Academy Trust has entered into a Sponsorship Agreement with Coventry University under which the University contributes £300k towards Academy Trust expenditure with a further £100k retained towards any Academy Trust expenditure directly incurred by the Sponsor.

The Academy Trust works with Coventry University on a number of different initiatives. These include a Franchise Agreement for teaching HE students at KEC. During the year to 31 August 2023 the Academy Trust did not procure any other services from Coventry University.

The Academy Trust works in partnership with many stakeholders. These include staff, students and parents; the Education and Skills Funding Agency; the Regional Director, local authorities, employers and communities; trade unions; sector representative organisations; and other FE institutions. The Academy Trust recognises the importance of these partnerships and engages in regular communication with them.

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons) (Section 172 Statement)

The Colleges have effective consultation processes in place which enable them to meet both statutory requirements for consultation, for example health and safety matters and the Colleges' economic situation, as well as recommended good practice. Employee views are regularly sought on wider issues affecting the Trust, Colleges and its employees such as new ways of working, developments in teaching and learning. Each College has a joint negotiation and consultation panel comprising managers and representatives from each recognised trade union which meets on a regular basis in accordance with the trade union recognition and procedural agreement. These formal mechanisms for consultation are supplemented by a number of informal means of consultation – regular staff surveys and staff meetings as well as specific staff focus groups on a cross-Trust and cross-College basis. All staff complete a short weekly online survey which feeds into ten metrics around staff engagement and wellbeing. These metrics are used by leaders at all levels to inform and improve staff engagement and experience as employees of the Trust. A Trust Communications site (intranet) gives regular updates, together with email and other electronic communication forums that support extensive staff consultation.

Employees at all levels are involved in each College's annual self-assessment review (SAR) which is an integral part of performance review in the education sector. Employees are jointly responsible with leaders for formulating quality improvements plans for their area of work which are linked to the whole College plan. Employees are regularly involved in discussions about College performance – for example student outcomes, compared to national benchmarks for the sector, in-year financial performance and other performance indicators such as student recruitment and retention. Feedback and suggestions from staff are regularly sought through the consultation mechanisms highlighted above.

Employees across the organisation benefit from a comprehensive training and development programme which incorporates regular briefing on the factors affecting College performance - for example changes to the Ofsted framework, national criteria for measuring student outcomes etc. Employees are actively involved in key College activities which affect performance such as student recruitment and are briefed on performance against all key performance indicators on a regular basis such as student retention and College income/expenditure.

All Colleges are committed to meeting the requirements of the public sector equality duty which includes a requirement to advance equality of opportunity for disabled persons as well as others who have a protected characteristic under the Equality Act. All job adverts have the 'disability confident' symbol to illustrate that disabled candidates will be guaranteed an interview if they meet the basis requirements of the job. Employees who become disabled will be provided with support through the College's employee welfare processes and reasonable adjustments put in place to enable them to continue in their job role effectively in line with occupational health advice. The Colleges undertakes equality impact assessments on career progression and promotion and takes active steps to ensure equality of opportunity where possible disadvantage could arise.

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

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (Section 172 Statement) (continued)

In addition to the above, the Trust has a People Strategy which has employee engagement at its centre. The strategy is grounded in four underlying principles, each with an associated commitment and a series of actions and measures of success. The commitments are as follows:

Underlying principles and assumptions (and related Trust Values)	Commitment to our staff
People are systematically considered to be good; self-motivated, intelligent, trustworthy and reliable. (supportive & optimistic)	Creating trust & developing autonomy in all our staff
People are more engaged in their work when they are clear how it contributes to a 'bigger picture' they understand and can invest in. (ambitious & Involved)	Creating a shared understanding of why we exist and how we should get there
People can only really thrive when they bring their whole selves to work. There is no success without inclusion, diversity and equality. (genuine & involved)	Creating an inclusive environment where we can be our whole selves at work
We will always believe in and promote the ability of our staff and students to further develop their skills, abilities and self-efficacy. (curious, supportive & optimistic)	Continuous and deliberate development of our staff

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust (Section 172 Statement)

Our approach with suppliers and other key stakeholders is strongly grounded in our values of being genuine, supportive and involved. This approach has ensured we have maintained and strengthened our relationships through the challenges of the past 12 months. In particular, our relationships with our transport and catering suppliers have relied on this transparent, supportive approach to ensure a continuation of service while remaining a sustainable provision.

Our other key set of 'customers/stakeholder/beneficiaries' are our students. We pride ourselves on developing processes, systems and a culture where students feel listened to and able to help improve and shape our provision as we move forward. To further facilitate this Trustees have appointed an Executive Director of Student Leadership to oversee this work and report on its progress on a regular basis.

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

Objectives and activities

a. Objects and aims

BFMAT's objectives are specifically restricted to the advancement for the public benefit education provision, managing and developing schools and 16-19 academies offering a curriculum appropriate to the needs of its students. These Objectives are articulated through our Purpose Statement, Values and Educational Objectives

Vision (Why do we exist?): To develop confident, curious, happy students ready to change the world for the better

Values (What is important to us?):

Ambitious	We are committed to creating exceptional learning experiences for our students, staff and communities. We seek creative solutions to our challenges and are always striving to connect new ideas with concrete realities.
Curious	We have a love of learning and a strong desire to know more. We constantly ask questions of ourselves and others, embrace new approaches and aren't afraid to make mistakes.
Involved	We are inclusive, open and are all actively engaged to make a difference to the communities we serve. We value and celebrate our communities' diversity of thought, expertise, experience and background.
Supportive	We support each other's work and we support each other as individuals, both professionally and personally. We help each other to make decisions that improve our work and benefit our students, staff and community.
Genuine	We always tell the truth, own up when we've made mistakes and deal with the consequences of our actions. Our actions reflect the things we say and the values we believe in.
Optimistic	We view everything with a positive eye and an open mind. We strive to foster an environment of optimism, even in the toughest of situations.

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

Objectives and activities (continued)

Educational Objectives: Our educational objectives bring together our vision and values. They help us measure our progress toward achieving our vision as set out in our strategic aims and objectives and encourage the application of our values.

Value		Educational Objectives
Ambitious & Curious	Leading to	Excellent teaching and learning experiences creating students who are engaged, curious and achieving beyond their initial expectations
Involved	Encouraging	The holistic development of students , ready for the wider world and already active in making a positive contribution to that world
Genuine	Resulting in	An open and reflective culture where all staff and students are willing to take risks and learn from their mistakes in order to keep improving
Supportive & Optimistic	Co-creating	A collaborative culture of continuous improvement based on feedback that helps us thrive and move forward

b. Objectives, strategies and activities

The main strategic objectives and strategies for achieving them are outlined in the strategic plan.

The vision, values and educational objectives will be realised through our strategic plan. This is made up of three key strands, each with a clear set of objectives outlined below;

1. Student Development Strategy

To increase the agency of our students, ensuring they **thrive**, have **fun**, and **be ready** to change the world for the better

- Established a thriving learning culture with students fully realise their potential in terms of qualification success, progression and wider skills development
- Established ourselves as a national leader in developing student voice to improve provision, with students playing a key role in the design, delivery and evaluation of study programmes
- Implemented a framework for developing and formally recognising the broad range of skills and attributes students need in order to thrive at college, University or in the world of work.
- Developed bespoke learner analytics systems that lead to effective, timely assessment and self assessment of student progress and development needs at every step of their journey from enrolment to University or employment.

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

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

2. People Strategy

Putting our people at the heart of everything we do, focusing on their ongoing development to help them thrive

- Embedded systems, processes and ways of working built on high levels trust, distributed authority and collective intelligence and accountability.
- Leaders at all levels of the Trust will be engaged in continuous, formal and informal development opportunities to ensure they have the skills, mindsets and knowledge to help staff thrive.
- Created a highly inclusive environment where staff thrive by bringing whole selves at work, developing our understanding of and celebrating both our differences and the things that bring us together.
- Embedded a culture of optimism that believes in and promotes the ability of our staff and students to further develop their skills, abilities and self-efficacy.

3. Resources Strategy

Securing the financial strength to ensure we can facilitate the ongoing development of our students and staff, in well resourced and well serviced environments

- Secured a financially sustainable provision across all academies in the Trust.
- Developed high quality, cohesive financial and shared service systems and provision that is aligned and is well placed for Trust expansion.
- Equipped leaders at all levels with the skills to ensure effective financial management that enhances the student experience.
- Have doubled the number of colleges within the Trust while developing innovative models for structural relationships with other post 16 providers and Coventry University Group other than the academisation route.

Underpinning these strands is our relationship with Coventry University. We are the only Sixth Form College focused Trust that is sponsored by a university and this relationship helps shape how we achieve our objectives, the activities we engage in and the experiences we offer to students and staff. The relationship offers a range of benefits to students and staff, including but not limited to

- A wide range of curriculum projects, workshops and experiences for students delivered jointly by University and college staff.
- Student access to state of the art specialist facilities and resources at the university, including University library and learning resources.
- Digital and face to face peer mentoring schemes for college students with university students.
- Staff development opportunities with University faculty and professional services teams.
- Staff access to digital learning resources at the University.
- Access to the University Organisational Development resources, including mentoring, coaching, pedagogy development and leadership development.
- Trust access to ongoing support and advice from University Professional services teams such as IT Services, Digital Security, Learner Analytics, HR, Estates Development and Finance.
- Opportunity to jointly develop projects in areas such as Learner and learning analytics and increasing student engagement through wider skills development frameworks.

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

Objectives and activities (continued)

c. Public benefit

Better Futures Multi Academy Trust is an exempt charity under part 3 of the Charities Act 2011 and is regulated by the Secretary of State for Education. The Directors, who are Trustees of the charitable company, are disclosed on page 1.

In setting and reviewing the Academy Trust strategic objectives, the Trustees have had due regard to Charity Commission guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. This guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

In delivering its mission the Academy Trust provides the following identifiable public benefits through the advancement of education:

- High quality teaching.
- Widening participation and supporting students with additional learning needs.
- Excellent record for student progression to higher education and employment.
- Excellent pastoral support for students.
- Growing links with employers, industry and commerce.

Strategic report

Achievements and performance

Key successes over past year

- The impact of the lost learning from lockdown is reducing day by day, with students thriving, making the most of the college environment and community to develop the skills and attributes that will equip them for success at college and their next steps into adulthood.
- Feedback from those students that have struggled with the transition back to full time education and/or with significant challenges around physical or mental health show they feel safe and well supported to develop and achieve due to the approaches and systems in place across the colleges.
- Increasing number of students across the colleges taking part in level four activities with university from subject specialist projects in science, healthcare, sport, geography, law and sociology, to completing 'Future researchers' research skills modules and putting them in practice in colleges. This has all been facilitated through the relationship with Coventry University.
- Collaborative curriculum projects across the colleges have given students access to new ways of learning and developed skills in project management, peer mentoring and stakeholder engagement.
- Student voice has been strengthened across the colleges with student leadership development programmes being rolled out leading to active Student Unions involved in a range of quality improvement, EDI and wellbeing initiatives.
- Staff and leadership development programmes across all colleges and all levels have been rolled out and have started to have a noticeable impact on staff and the experience they offer students.
- A range of staff projects working across the colleges and in collaboration with the University continue to develop, ranging from issues around implementation of T-Levels, the implementation of new ways of measuring student and staff progress and achievement, to leadership feedback platforms and the development of a set of 'graduate attributes' applicable to students from our entry level students in the colleges all the way to post graduate students in the university.

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

All three Colleges exceeded their recruitment targets for students enrolling for 2022/23. This was particularly pleasing in light of the challenges posed by COVID-19. The inability to carry out face to face interviews, taster sessions or enrolments processes has led to the development of more innovative models of recruiting and inducting students to life at college and we will be developing these further in the post-lockdown context. Retention of students throughout lockdown was a key focus, ensuring we could meet their needs for education and wider support. Retention rates stayed high across the colleges and this, together with healthy recruitment, will ensure increased funding for future years.

While all three Colleges achieved above benchmark for achievement rates and retention, the unprecedented events of the past two years make the standard KPIs around student qualification performance less useful than usual. Achievement and progress rates do seem in line with current sector benchmarks, although this does mask the fact that some areas across the colleges are performing much higher than others, which do need to adapt their approaches further in the post pandemic context.

Many of the other standard metrics for assessing progress/performance do not really capture the successes of the colleges during the past 12 months as outlined in the previous section. As a Trust we have been working on developing new sets of indicators that better align to both our strategic aims and the current context. Key measures that stand out from last year would include the record number of students who were accepted into their first or second choice of university course and the overwhelmingly positive responses from students, staff and other stakeholders when asked if the colleges were meeting the needs of those groups of stakeholders respectively. We have also had real success in developing student leadership throughout the colleges, in spite of – or possibly because of- the inability and at times reluctance of students to meet face to face for prolonged periods of the year. The impact of the pandemic on the GCSE starting point of our students will be felt for the next few years so devising other ways to measure progress will be increasingly important and is an ongoing focus for us this year.

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence in the foreseeable future. In coming to their decision, The Trustees have made use of a formal Going Concern Assessment prepared by the CFO. The Trustees have considered the basis of assumptions of income and expenditure expectations and growth in student numbers which support the financial plan and strategy of the MAT and the non-recurrent impact of COVID-19. For this reason, it continues to adopt the going concern basis in preparing the Financial Statements. Further details regarding adoption of the going concern basis can be found in the Statement of Accounting Policies.

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

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company (Section 172 Statement)

Our Trustees are clear in their responsibilities to act in ways that will most likely promote the success of the Trust. Through regular review of our strategic aims, current objectives and values driven approach, we ensure we are well placed to meet the ever changing challenges successfully.

- Our People Strategy sets out how we work with our staff, our students and other stakeholders to help them become the best version of themselves, becoming exemplars of high standards of conduct and performance, and in doing so strengthening our Trust.
- We have a Developmental Strategy that explores new ways of working through collaboration both internally and externally to help transform the way we do 16-19 education.
- We have a Student Development Strategy that is focused on increasing the agency and efficacy of all our students and ensuring this is at the heart of all we do.
- We have a Resource and Finance Strategy that is focused on securing financial strength to ensure the maximisation of resources to facilitate teaching, learning and student support.

Financial review

The Academy Trust receives the majority of its funding from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants paid on a monthly basis. The grants received in the year are shown as "restricted funds" in the Statement of Financial Activities. The Academy Trust is also in receipt of an allocation from the ESFA's Devolved Formula Capital Grant and sponsorship.

There has been no movement in the number of Academies in the financial year following the joining of Gateway College (1st April 2020) and Bilborough College (1st November 2019). Work continues to consolidate the financial systems and processes across the Colleges. The Trust has approved updated BFMAT Financial Regulations and Scheme of Delegation in the previous six months.

At 31 August 2023 the net book value of fixed assets was £49,118k (2022 - £46,232k). The closing fixed asset position across the Academy is comprised of the following: Gateway College: £25,138k, Bilborough College: £18,679k and King Edwards VI College £5,301k. Movements in tangible fixed assets are shown in note 13 to the Financial Statements.

The closing level of reserves is £55,238k (excluding pension reserve), this comprises of restricted general fund of £1,318k, restricted Fixed Asset fund of £49,975k plus unrestricted reserve reserves of £3,945k. Further details can be found in note 17 to the Financial Statements.

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

Strategic report (continued)

a. Reserves policy

The Trust Reserves Policy determines that when considering an appropriate level of reserves, the Trust board considers:

- the risk of unforeseen emergency or other unexpected need for funds;
- a fall or rise in sources of income;
- planned commitments, or designations, that cannot be met by future income alone, for example plans for a major capital project;
- the ability to deliver a robust programme for renewal and replacement of academy assets e.g. IT equipment;
- the need to fund potential deficits in a cash budget, for example money may need to be spent before funding is received for increased teaching; and
- the full range of financial risks identified.

The Academy Reserves Policy determines that the minimum target level of reserves is circa 5% of annual income. For the financial year ended 31 August 2023 planned income of £25,400k determines a minimum reserves balance of £1,300k.

The level of restricted general fund reserves is a surplus position of £1,318k which exceeds the minimum reserves balance of the reserves policy. Disclosure of this fund is included in the Funds note in the financial statements (note 17).

The closing level of reserves is £55,238k (excluding pension reserve), this comprises of restricted general fund of £1,318k, restricted Fixed Asset fund of £49,975k plus unrestricted reserve reserves of £3,945k. The Fixed Asset fund of £49,975k, can only be realised by disposing of tangible fixed assets of £49,118k.

The Trust has reviewed the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted fund reserves at 31st August 2023. In the statements that following this would be a net surplus of £1,318k + £3,945k = £5,263k. Further details can be found in note 17 to the Financial Statements.

b. Investment policy

The Academy holds cash balances and therefore can make investment decisions. The Academy Investment Policy sets out the processes by which the Trustees will meet their duties, as set out under the Trust Articles of Association, the Academies Financial Handbook and the Trust Financial Regulations, to invest monies surplus to the operational requirements of the Trust and its member Academies.

The objective of the policy is to ensure that all investments shall be made in furtherance of the Trust's charitable aims and to ensure that investment risk is properly and prudently managed, whilst ensuring a consistent approach across the Trust and achieve value for money whilst ensuring the security of deposits and risk is balanced against revenue return.

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TRUSTEES' REPORT (CONTINUED)
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c. Principal risks and uncertainties

Based on the Strategic Plan, the Executive Team undertakes a comprehensive review of the risks to which the Academy is exposed. They identify systems and procedures, including specific preventable actions, which should mitigate any potential impact on the trust. The internal controls are then implemented and the subsequent year's appraisal will review their effectiveness and progress against risk mitigation actions. In addition to the annual review, the Executive Team will also consider any risks which may arise as a result of a new area of work being undertaken by any academy.

Risk Registers are maintained at Academy Trust level, which is reviewed at regularly by the Finance and Audit Committee. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the Academies and the actions being taken to reduce and mitigate the risks. Risks are prioritised using a consistent scoring system. Each Academy also maintains a Risk Register which informs the trust register and is monitored and reviewed by Academy Local Governing Boards.

Outlined below is a description of the principal risk factors that may affect the trust, with many being risks related to the ongoing pandemic. Other factors besides those listed below may also adversely affect the Trust.

Risk Description and Impact	Mitigation Strategies
Teaching and learning does not adequately equip students with the attributes needed to be successful in their qualifications and their wider development, impacting on success, progression and reputation of Trust	Student Development strategy and related quality measures address this with staff and students and co-create new ways of approaching quality and curriculum delivery issues
Lack of alignment and development of leadership skills for middle and senior leaders reduce capacity to improve provision	People strategy and ongoing leadership development programmes developed and implemented across the Trust
Increasing cost base (pay, pensions, utilities etc.) combined with relatively static or real term cuts in funding lead to financial instability and unsustainable provision.	Resources strategy implemented to identify ongoing efficiencies and maximise potential income. Ongoing iterative review of financial plans in place
Lack of capital funds to address estate needs has detrimental impact on student and staff experience and reduces Trust capacity to effectively manage a safe and compliant estate.	Resources strategy utilises University support for bid writing and estates development support. Growth strategy in place to grow Trust to enable formula led capital funding. Chief Operating Officer appointed to ensure effective management and compliance of estate.

Fundraising

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

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

Streamlined energy and carbon reporting

The BFMAT UK Greenhouse gas emissions and energy use in the reporting period ending 31st August 2023 is shown in table 1. The Trust used 1,765,701 kWh of gas and 1,427,395 kWh of electricity in the period. Total gross metric tonnes CO₂e emissions is calculated as 618.

The Trust has made use of the Government Greenhouse gas reporting conversion factors 2021 in the calculation of gross metric tonnes of CO₂e, calculated from kWh gas and electricity meter readings in the reporting period.

The chosen intensity measurement ratio is pupil numbers (as per the 21/22 ESFA GAG Funding agreements), the recommended ratio for the sector.

Gross Emissions in Metric tonnes of CO₂e per pupil is 0.14.

The Trust will consider the output of the Energy and Carbon Reporting to inform the MAT energy strategy.

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	3,193,096	3,731,836
Energy consumption breakdown (kWh):		
Gas	1,765,701	2,082,642
Electricity	1,427,395	1,649,195
Scope 1 emissions (in tonnes of CO₂ equivalent):		
Gas consumption	322	381
Total scope 1	<u>322</u>	<u>381</u>
Scope 2 emissions (in tonnes of CO₂ equivalent):		
Purchased electricity	296	350
Total gross emissions (in tonnes of CO₂ equivalent):	<u>618</u>	<u>731</u>
Intensity ratio:		
Tonnes of CO ₂ equivalent per pupil	<u>0.14</u>	<u>0.17</u>

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Plans for future periods

Over the next twelve months the focus will be on the following four operational priorities

- 1. Collaboration across Colleges**
Consolidate collaboration between colleges and leaders at all levels across the Trust.
- 2. Developmental Impact**
Ensure we are having a significant positive impact on the experience we offer students and staff.
- 3. Financial resilience**
Ensure our provision is sustainable and positions us well for growth of the Trust.
- 4. University Collaboration**
Maximise the benefits of our relationship with a leading University.

By focusing on these over the next twelve months we will be delivering key aspects of our strategic plan and be well placed for attracting new colleges to the Trust. We will focus our growth around three key features of our trust as it develops. Firstly we are a trust that specialises in and delivers an excellent experience in Sixth Form College Education. Secondly, our relationship with Coventry University opens up a wide range of development opportunities for both staff and students and gives colleges access to resources they could never access as stand-alone institutions or without sponsorship by a leading university. Thirdly, that we put people's development at the heart of everything we do and maintain an optimism and determination that people can and should continue to develop throughout their lives. All of our systems, processes and resources will support building this culture in a way rarely seen in the sector. These features will open up lots of opportunities for us to grow with other partners and see BFMAT become a significant force within the sixth form college sector.

Funds held as custodian on behalf of others

The Trust and its Trustees do not act as custodian trustees of any other charity.

Disclosure of information to auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 Dec 20, 2023 and signed on its behalf by:


Stuart Stanley (Dec 20, 2023 16:21 GMT)

.....
Stuart Stanley
Chair of Trustees

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Trust Board is committed to full compliance with the Articles of the Trust, its Funding Agreements, the Academy Trust Handbook, and all relevant statutory legislation. Trustees also acknowledge and give due regard to guidance found in the Governance Handbook and Competency Framework for governance.

Trustees have delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between BFMAT and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

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

Trustee	Meetings attended	Out of a possible
Stuart Stanley, Chair	7	7
Eileen Hartley, Vice Chair	5	7
Lorraine Gearing	6	7
Joseph Kevin Grindley	4	7
Norman MacDonald	5	7
Daniel Gutteridge	5	7
Ulysses Lyons, Chief Executive Officer	7	7
Harinder Bains (appointed 29 March 2023)	3	4
Paul Kendrick (appointed 29 March 2023)	4	4
Elizabeth Bunn (appointed 29 March 2023)	3	4
David Shaun Hides (appointed 29 March 2023)	4	4
Obinna Okwuadigbo (resigned 5 October 2022)	1	1
Kate Quantrell (resigned 28 March 2023)	3	3

Key changes to the composition of the Board

During the period 1 September 2022 to date of approval of the accounts, the Board of Trustees received two resignations and made four new appointments, all of which were informed by a skills matrix. New appointments have strengthened skills and experience to deliver effective governance and carry out the strategic business of the Board. The Trustees employ a dedicated Governance Professional to assist with the work of the Board.

Key Coverage of Work

The work of the Board is captured in a business calendar. The business calendar is informed by the operational flow of business as it occurs throughout the academic year, incorporating deadlines for the approval and submission of key documents and policies that require Trustee approval. The Board and its Committees met in accordance with the planned schedule for the academic year. Minutes are produced on a timely basis, recording key decisions and the debate behind those decisions.

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board has a clearly defined Scheme of Delegation that sets out the authority for a wide range of decisions that are commonly required throughout the year. The Scheme of Delegation is reviewed at least annually. Trustees conduct their business through several committees. A Scheme of Delegation supports this framework and each committee has terms of reference that are approved by the Trust Board and reviewed annually.

During the period, the Board of Trustees has been active in considering strategic options for the future of the Trust. Trustees are provided with regular and timely information on financial performance and student development at each of the Trust's constituent academies. Monthly management accounts are routinely reviewed at Trustee meetings and also circulated to the Chair on a monthly basis. A medium-term financial plan and key progress indicators are subject to robust overview by Trustees.

Trustees understand that the Board holds ultimate responsibility for Safeguarding. There is a lead Safeguarding governance role at both Board and Local Governing Body level to provide assurance in this area.

Trustees understand that it is their responsibility to bring independent judgement to bear on issues of strategy, performance, resources, and standards of conduct. In doing so, the Board of Trustees seeks to ensure that it holds the executive team properly to account. The Board of Trustees has a strong and independent non-executive element and no individual or group dominates its decision-making process. The Board of Trustees considers that each of its non-executive members is independent of management and free from any business or other relationship which could materially interfere with the exercise of their independent judgement. The Company Secretary maintains a register of financial and personal interests of the Trustees, which is available for inspection on request and is also published on the Trust's website. There is a clear division of responsibility between the roles of the Chair of the Board of Trustees and the Accounting Officer (Chief Executive Officer) which are kept separate.

Conflicts of interest

Trustees understand they have a legal duty to act only in the best interests of the Trust. A register of interests is maintained and enables the Board to take, if necessary, appropriate steps to prevent any conflict leading to decisions that might damage the Trust's reputation. Governance is further strengthened by the inclusion of a standing declaration of interest item at the start of each meeting agenda. This provides a further opportunity for Trustees to declare any actual or potential conflict of interest, extending to interests of those connected to them, before discussions start in order that it can be managed appropriately. If any conflict of interest arises, the minutes of the meeting record the nature of conflict, which Trustee(s)/Governor(s) were affected, an outline of the discussion and if anyone withdrew. This process for managing conflicts of interests is replicated at local level to ensure a consistent and effective approach across all tiers of governance in the Trust. The register of interests for Members, Trustees and Local Governors is publicly available on the website to ensure transparency.

Governance Reviews

The effectiveness of the Trust's Governance is self-assessed on an on-going basis throughout the academic year. During the reporting period, the Trust Board self-assessed against several themes including Accountability; Strategic Oversight; Values and Behaviours; Board Structure and Training and; Board and Committee Leadership. Themes / questions are reviewed to ensure they reflect current context and best practice e.g. updated guidance on '21 Questions for Academy Trusts' as referenced in the Governance Handbook for Academy Trusts.

Additionally, the Trust Chair operates an on-going programme of one-to-one review sessions with individual Trustees in order to identify any areas of support that they may require in order to fulfil their roles.

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance Reviews (continued)

An independent external review of governance is currently in progress. The review will evaluate the Board's performance in fulfilling its responsibilities of good governance. The approach is deliberately developmental to elicit recommendations that support the Trust to deliver its key strategic objectives with greater effectiveness.

Information about the quality of the data used by the Board, and why the Board finds it acceptable

All governance reports are prefaced with an executive summary to ensure that key information is highlighted from the outset and supports clear itemising of decisions required. There exists a culture of openness and constructive challenge within governance.

The Executive Team routinely attends all governance meetings to present reports and answer questions. Their attendance ensures a conduit between Trustees and senior staff in addition to the link that exists with the CEO. The Director of Student Leadership also routinely attended Board meetings during the period to ensure engagement of the student voice in the governance of the Trust.

The triangulation of quantitative information with qualitative information is embedded within the business calendar and frequently forms the focus of discussion at meetings. For example, a detailed commentary on key risks accompanies presentation of the Risk Register to give Trustees further context and assurance.

Committee

Structure

A number of key tasks are devolved to the Committees which have clear Terms of Reference that are reviewed annually. As the Trust has grown and become more established, the Committee Structure has been kept under review to ensure continued appropriate levels of scrutiny.

Finance and Audit Committee

The Committee provides robust oversight and scrutiny of the Trust's finances and resources, including proper planning, monitoring, probity and value for money. It also provides a forum for reporting by internal, regularity and financial statements auditors who routinely attend meetings. An independent member with recent and relevant audit experience forms part of the membership.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Daniel Gutteridge, Interim Chair	7	7
Norman MacDonald	6	7
Paul Kendrick (appointed 29 March 2023)	2	2
Louise Tweedie (Independent Member, not a Trustee)	6	7

The direction of travel in the Academy Trust Handbook reflects an ever-expanding role for Audit and Risk as part of the internal audit scrutiny programme. Alongside this, a continued focus on financial management against the current backdrop of general financial and economic volatility, and the Trust's challenging medium term financial plan position, remains key. The Trust has reflected on this context and recommendations from an internal audit on financial performance monitoring. The External Governance Review is looking at the Committee structure in terms of its agility and foundation for future growth. It is expected that following conclusion of this review, the Trust will constitute separate Committees for Audit and Risk, and Finance to optimise scrutiny.

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Search and Governance Committee

The Committee keeps under review the appropriateness of current membership of the Trust Board and its Committees. It makes recommendations to the Trust Board on appointments with due consideration to the skills matrix and diversity. The Committee also co-ordinates governance reviews.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Stuart Stanley, Chair	4	4
Eileen Hartley	4	4
Joseph Kevin Grindley	3	4
Ulysses Lyons	4	4

Student Development Committee

This is a new Committee constituted to monitor, support and challenge progress towards meeting student success criteria across the MAT. Membership of the Committee includes Trustees and Governors from each of the constituent Academies. Other stakeholders in attendance include students and College Principals.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Joseph Kevin Grindley, Interim Chair	1	1
Ulysses Lyons	1	1
Elizabeth Bunn	1	1
David Shaun Hides	0	1
Harminder Bains	1	1
Ian Turner (LGB Governor)	1	1
Rebecca Khanna (LGB Governor)	1	1

Executive Performance and Remuneration Committee

The Committee is responsible for making recommendations on the performance and remuneration of Executive postholders. The Committee bases its recommendations on independent research data provided by such organisations as the Sixth Form Colleges' Association and Association of Colleges. The Committee membership comprises of only Trustees (excluding the CEO). If the CEO is invited to be in attendance as and when appropriate and necessary, meeting procedures ensure that he does not take part in discussions or decisions relating to his own remuneration.

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Eileen Hartley, Chair	1	1
Lorraine Gearing	0	1
Stuart Stanley	1	1
Daniel Gutteridge	1	1

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Trust Board is committed to developing and maintaining strong and effective Local Governing Bodies (LGBs) for each of its institutions. These LGBs are accountable to the Board of Trustees and are its “eyes and ears” at the local level. The role of LGBs has been clearly set out in the Trust’s Scheme of Delegation and this is very much focused towards supporting quality improvement and challenging leadership teams to drive up standards in terms of teaching, learning, and outcomes for students. Local Governors also monitor the deployment and effectiveness of Trust resources. LGBs help the Trust to establish an on-going dialogue with the key stakeholders of each institution (including parents and staff) and are also there to champion the development of Student Voice.

Attendance at LGB meetings during the year was as follows:

LGB Governors: King Edward VI College	Meetings Attended	Out of a Possible
Jacqui Clements, Chair	6	7
Leanne de Main, Joint Vice-Chair (resigned 15 July 2023)	1	7
Rebecca Khanna, Joint Vice-Chair	6	7
William Rupp	7	7
Mark Crook (resigned 28 September 2023)	2	7
David Butcher	7	7
Elizabeth Cutter	7	7
Abu Malek (appointed 10 May 2023)	1	2
Bhim Saru (appointed 10 May 2023)	2	2
Lindsey Evans	3	7
Sarah Baker (appointed 13 January 2023)	3	5
Kate Phillips (resigned 31 August 2023)	6	7
Sam Powell	7	7
Guy MacGregor-Devlin (resigned 8 November 2023)	1	1
Cameron Dwyer	2	7
Jayden Monga (appointed 15 November 2022)	2	5
Stuart Noss	6	7

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

LGB Governors: Bilborough College	Meetings Attended	Out of a Possible
Nicola Harrold, Chair	6	6
Shiv Nand, Vice Chair	6	6
Zameer Syed (resigned 13 March 2023)	2	3
Shanine Fasasi	4	6
Sheilagh Resnick	5	6
Sarah Whitney	3	6
David Shaw	5	6
Christopher Hulse	5	6
Uwe Vinkemeier (appointed 12 January 2023)	4	4
Kate Simpson (appointed 4 October 2022)	5	5
Ian Turner (appointed 28 November 2022)	4	4
Alan Simpson (appointed 12 January 2023)	3	4
Vanessa Simpson (appointed 12 January 2023)	3	3
Samuel Onwuteaka (appointed 26 June 2023)	1	1
Mustafa Abdulsalam (appointed 26 June 2023)	1	1
Sarra Jenkins (appointed 27 June 2023)	0	0
Scott Cowie (resigned 18 September 2023)	3	6
Annoushka Bold (resigned 13 October 2023)	1	1
Claire Stone (resigned 20 March 2023)	2	4
Laaibah Amjad (term finished 20 June 2023)	0	6
Jenna Ghattaora (term finished 20 June 2023)	1	6

LGB Governors: Gateway College	Meetings Attended	Out of a Possible
John Kirk, Chair	4	7
Nathan Smith, Vice Chair	4	7
Nelista Cuffy	6	7
James Bagley	7	7
Patricia Hamer	5	7
Steven Lockwood	4	7
Muskan Patel	2	7
Nadia Hussain	1	7
Charlotte Cassells (resigned 7 October 2023)	1	7
Sadik Karolia	7	7
Christine Page	6	7
Scott Matthews (resigned 14 March 2023)	2	3
Gufan Usmani	6	7
Imran Khan (appointed 30 January 2023)	3	4
Saiyaf Zulfecar (appointed 6 January 2023)	4	5

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer the CEO 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

- Improving educational provision across the academies. This is supported by internal and external reviews of our performance and therefore represents better value for money for taxpayers.
- T Level Development Grants and Post 16 Capacity Funds have been secured which will lead to a much more efficient use of space and resources for students and staff and help ensure estate, particularly the older parts of the estate, are safe and well maintained.
- Utilisation of specialist in-kind support from sponsor for estates management, development and compliance support.
- Benchmarking of leadership costs across the academies to ensure best use of resource to improve provision and creation of a high impact central leadership and improvement team, utilising funding through sponsorship agreement to ensure value for money for taxpayers.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has decided to employ ICCA as internal auditor. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial and other systems.

Three audits completed across the three constituent Colleges during 2022/23 covered a range of systems, business areas and systems of internal control. As a result of work undertaken, ICCA provided the Board of Trustees with 'Reasonable Assurance' that the Academy Trust's systems of internal control were operating adequately and effectively, and that there were no instances where any breakdown of control resulted in a material discrepancy. This was the best possible opinion that could be awarded to the Academy Trust as audits undertaken had looked at a small sub-set of operations within each of the respective Colleges. ICCA are, however, required to give an overall opinion that covered the entirety of the Academy Trust's operations.

On at least a termly basis, the auditor reports to the Board of Trustees, through the Finance and Audit Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor completed reviews of key areas across the Trust as outlined in the schedule of work. Of these reviews, the conclusions reached for one was substantial assurance and two were reasonable. The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Audit Committee and a plan to address recommendations and areas for development and ensure continuous improvement of the system is in place.

Review of effectiveness

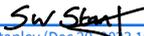
As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the Executive Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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


Stuart Stanley (Dec 20, 2023 16:21 GMT)

.....
Stuart Stanley
Chair of Trustees

Date: Dec 20, 2023



.....
Ulysses Lyons
Accounting Officer

Date: Dec 20, 2023

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

There was one instance of non-compliance with the Academies Financial Handbook 2022 in that the Trust did not obtain prior written consent from the ESFA in respect of the appointment of the interim Chief Financial Officer who is not paid through the Trust's payroll.



.....
Ulysses Lyons
Accounting Officer

Date: Dec 20, 2023

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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


Stuart Stanley (Dec 20, 2023 16:21 GMT)

.....
Stuart Stanley
Chair of Trustees

Date: Dec 20, 2023

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BETTER FUTURES MULTI-ACADEMY TRUST**

Opinion

We have audited the financial statements of Better Futures Multi-Academy Trust (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

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 Company 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 Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BETTER FUTURES MULTI-ACADEMY TRUST**

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the incorporated strategic report.

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

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

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BETTER FUTURES MULTI-ACADEMY TRUST**

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement set out on page 28, the Trustees (who are also the Directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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.

Based on our understanding of the Academy Trust and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
BETTER FUTURES MULTI-ACADEMY TRUST**

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, we evaluated the Trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion subject to your revenue recognition significant fraud risk) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 auditor's report.

Use of the audit report

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



David Hoose (Dec 20, 2023 16:45 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 20, 2023

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 19 September 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Better Futures Multi-Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Better Futures Multi-Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Better Futures Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2018 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BETTER
FUTURES MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

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

Matter 1: The Academy Trust's interim Chief Financial Officer is not remunerated through the Academy Trust's payroll. The Academy Trust has not obtained prior ESFA approval for this which contravenes paragraph 1.45 of the Academies Financial Handbook 2022.

Our regularity opinion is modified in respect of this item.

The logo for Mazars LLP, featuring the company name in a stylized, handwritten-style font.

Mazars LLP (Dec 20, 2023 16:46 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 20, 2023

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	As restated Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		-	-	1,066	1,066	3,836
Other trading activities	5	679	98	-	777	884
Charitable activities:						
Funding for the academy trust's educational operations	4	512	24,377	-	24,889	23,203
Total income		<u>1,191</u>	<u>24,475</u>	<u>1,066</u>	<u>26,732</u>	<u>27,923</u>
Expenditure on:						
Raising funds	6	50	-	-	50	55
Charitable activities:						
Academy trust educational operations	7	396	23,636	1,497	25,529	24,454
Improvements to property occupied by the academy trust	6	-	-	-	-	400
Total expenditure		<u>446</u>	<u>23,636</u>	<u>1,497</u>	<u>25,579</u>	<u>24,909</u>
Net income/ (expenditure)		<u>745</u>	<u>839</u>	<u>(431)</u>	<u>1,153</u>	<u>3,014</u>
Transfers between funds	17	-	(1,036)	1,036	-	-
Net movement in funds before other recognised gains/(losses)		<u>745</u>	<u>(197)</u>	<u>605</u>	<u>1,153</u>	<u>3,014</u>
Actuarial gains/(losses) on defined benefit pension schemes	25	-	301	-	301	15,421
Net movement in funds		<u><u>745</u></u>	<u><u>104</u></u>	<u><u>605</u></u>	<u><u>1,454</u></u>	<u><u>18,435</u></u>

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	As restated Total funds 2022 £000
Note					
Reconciliation of funds:					
Total funds brought forward	3,200	1,214	49,370	53,784	35,349
Net movement in funds	745	104	605	1,454	18,435
Total funds carried forward	<u>3,945</u>	<u>1,318</u>	<u>49,975</u>	<u>55,238</u>	<u>53,784</u>

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10817914

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	As restated 2022 £000
Fixed assets			
Tangible assets	13	49,118	46,232
		49,118	46,232
Current assets			
Debtors	14	1,585	3,879
Cash at bank and in hand	22	8,501	8,118
		10,086	11,997
Liabilities			
Creditors: Amounts falling due within one year	15	(2,753)	(2,998)
		7,333	8,999
Net current assets			
		56,451	55,231
Total assets less current liabilities			
Creditors: Amounts falling due after more than one year	16	(1,213)	(1,352)
		55,238	53,879
Net assets excluding pension liability			
Defined benefit pension scheme liability	25	-	(95)
		55,238	53,784
Total net assets			
		55,238	53,784
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	49,975	49,370
Restricted income funds	17	2,595	2,708
Other reserve	17	(1,277)	(1,399)
Pension reserve	17	-	(95)
		51,293	50,584
Total restricted funds			
Unrestricted income funds	17	3,945	3,200
		55,238	53,784
Total funds			
		55,238	53,784

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 35 to 65 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


Stuart Stanley (Dec 20, 2023 16:21 GMT)

.....
Stuart Stanley
Chair of Trustees

Date: Dec 20, 2023

The notes on pages 40 to 65 form part of these financial statements.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	As restated 2022 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	3,844	(28)
Cash flows (used in)/from investing activities	21	(3,318)	2,040
Cash flows used in financing activities	20	(143)	(121)
Change in cash and cash equivalents in the year		383	1,891
Cash and cash equivalents at the beginning of the year		8,118	6,227
Cash and cash equivalents at the end of the year	22, 23	<u>8,501</u>	<u>8,118</u>

The notes on pages 40 to 65 form part of these financial statements.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Other income**

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

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

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

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

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

Leasehold buildings	- 10 - 50 years
Freehold buildings	- 20 - 50 years
Furniture and equipment	- 3 - 20 years
Computer equipment	- 3 - 10 years

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

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

1. Accounting policies (continued)

1.6 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.

1.7 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.

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 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.

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.11 Pensions

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

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

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

1.12 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 29.

1.13 Fund accounting

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

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

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

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

For all academies in the Trust, the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date. Therefore for these schools the plan has a notional surplus. Note 25 includes details of the effects of changes in the key assumptions on this liability. As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus. As management do not consider that the association will be able to recover the surplus either through reduced contributions in the future or through refunds from the plan, the surplus has not been recognised in these financial statements in line with paragraph 28.22 of FRS102.

3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	As restated Total funds 2022 £000
Capital Grants	1,066	1,066	3,836
Total 2022 as restated	3,836	3,836	

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	22,451	22,451	20,698
Other DfE/ESFA grants				
Teachers' Pay/Pension Grants	-	868	868	1,153
Other	-	489	489	577
	-	23,808	23,808	22,428
Other Government grants				
Local Authority Grants	-	561	561	394
	-	561	561	394
Other income from the academy trust's educational operations	512	8	520	381
Total 2023	512	24,377	24,889	23,203
Total 2022	331	22,872	23,203	

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	96	-	96	98
Income from other charitable activities	-	98	98	61
Income from ancillary trading activities	583	-	583	725
Total 2023	<u>679</u>	<u>98</u>	<u>777</u>	<u>884</u>
Total 2022	<u>834</u>	<u>50</u>	<u>884</u>	

6. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Expenditure on raising funds:					
Allocated support costs	-	5	45	50	55
Academy Trust's educational operations:					
Direct costs	14,817	1,234	1,515	17,566	16,047
Allocated support costs	4,041	1,672	2,250	7,963	8,407
Improvements to property occupied by the academy trust	-	-	-	-	400
Total 2023	<u>18,858</u>	<u>2,911</u>	<u>3,810</u>	<u>25,579</u>	<u>24,909</u>
Total 2022	<u>18,794</u>	<u>2,756</u>	<u>3,359</u>	<u>24,909</u>	

BETTER FUTURES MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

7. Charitable activities

	2023 £000	2022 £000
Direct costs - educational operations	17,566	16,047
Support costs - educational operations	7,963	8,407
	<u>25,529</u>	<u>24,454</u>

	2023 £000	2022 £000
Analysis of support costs		
Support staff costs	4,041	4,794
Depreciation	263	434
Technology costs	363	540
Premises costs	1,672	1,424
Legal costs - other	69	19
Other support costs	1,490	1,098
Governance costs	65	98
	<u>7,963</u>	<u>8,407</u>

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	90	75
Depreciation of tangible fixed assets	1,476	1,364
Fees paid to auditor for:		
- audit	27	23
- other services	13	8
	<u>1,506</u>	<u>1,460</u>

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	14,183	13,070
Social security costs	1,411	1,270
Pension costs	3,120	4,103
	<hr/>	<hr/>
	18,714	18,443
Agency staff costs	76	351
Staff restructuring costs	68	-
	<hr/>	<hr/>
	18,858	18,794
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

	2023 £000	2022 £000
Redundancy payments	18	-
Severance payments	50	-
	<hr/> <hr/>	<hr/> <hr/>

b. Severance payments

The Academy Trust paid 11 severance payments in the year (2022 - Nil), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	11	-
	<hr/> <hr/>	<hr/> <hr/>

c. Special staff severance payments

Included in staff restructuring costs are special settlement payments of £39k (2022 - £Nil). Individually, the payments were: £5k, £5k, £7k, £1k, £4k, £11k and £6k.

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

9. Staff (continued)

d. Staff numbers

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

	2023	2022
	No.	No.
Teachers	234	281
Administration and Support	253	216
Management	21	20
	<u>508</u>	<u>517</u>

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	5	2
In the band £70,001 - £80,000	3	1
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	1	-
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-
	<u>1</u>	<u>-</u>

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 £720k (2022 - £853k).

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Central services

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

- HR, Payroll and Finance

The Academy Trust charges for these services on the following basis:

All central overheads are charged out to schools which amounted to the equivalent of 2.4% of GAG income.

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
Bilborough Sixth Form College	224	201
Gateway Sixth Form College	157	160
King Edwards College	169	140
Total	<u>550</u>	<u>501</u>

11. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
U Lyons (Accounting Officer and Trustee)	Remuneration	140 - 145	130 - 135
	Pension contributions paid	30 - 35	30 - 35

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £Nil).

12. 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 trust business, and provides unlimited cover (2022 - unlimited) on any one claim. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

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

13. Tangible fixed assets

	Freehold property £000	Long- term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost							
At 1 September 2022	42,262	5,641	938	1,116	5	97	50,059
Additions	3,270	-	590	524	-	-	4,384
Transfers between classes	97	-	(37)	37	-	(97)	-
At 31 August 2023	<u>45,629</u>	<u>5,641</u>	<u>1,491</u>	<u>1,677</u>	<u>5</u>	<u>-</u>	<u>54,443</u>
Depreciation							
At 1 September 2022	2,368	669	345	440	5	-	3,827
Charge for the year	937	226	98	237	-	-	1,498
Transfers between classes	-	-	(5)	5	-	-	-
At 31 August 2023	<u>3,305</u>	<u>895</u>	<u>438</u>	<u>682</u>	<u>5</u>	<u>-</u>	<u>5,325</u>
Net book value							
At 31 August 2023	<u><u>42,324</u></u>	<u><u>4,746</u></u>	<u><u>1,053</u></u>	<u><u>995</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>49,118</u></u>
At 31 August 2022	<u><u>39,894</u></u>	<u><u>4,972</u></u>	<u><u>593</u></u>	<u><u>676</u></u>	<u><u>-</u></u>	<u><u>97</u></u>	<u><u>46,232</u></u>

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Debtors

	2023	As restated
	£000	2022
		£000
Due within one year		
Trade debtors	29	43
VAT repayable	409	358
Other debtors	11	32
Prepayments and accrued income	1,136	3,446
	<u>1,585</u>	<u>3,879</u>

15. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Bank loans (Note 16)	123	122
Other loans	3	8
Trade creditors	410	498
Corporation tax	-	31
Other taxation and social security	347	322
Other creditors	323	301
Accruals and deferred income	1,547	1,716
	<u>2,753</u>	<u>2,998</u>

	2023	2022
	£000	£000
Deferred income		
Deferred income as at 1 September	1,194	1,052
Released from previous years	(1,194)	(1,052)
Resources deferred in the year	1,153	1,194
Deferred income as at 31 August	<u>1,153</u>	<u>1,194</u>

At the Balance Sheet date the Academy Trust was holding funds of £611k (2022 - £736k) Bursary and free school meal income, £34k (2022 - £63k) trip income and £508k (2022 - £395k) to other income.

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

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

	2023	2022
	£000	£000
Bank loans	1,140	1,279
Other loans	73	73
	<u>1,213</u>	<u>1,352</u>

Loans include a bank loan of £1,263k with AIB (Allied Irish Bank), which is repayable quarterly over 60 months from 1st November 2019, maturing 31st October 2024, interest is payable at SONIA plus margin of 2.7% annum. There are quarterly repayments of £31k exclusive of interest. The Academy Trust has provided security in respect of its AIB borrowings over the freehold property and land at Bilborough College, Bilborough Road, Nottingham, NG8 4DQ.

Loans include £76k in relation to an approved ESFA loans, via the salix loan programme for capital projects. The loan is interest free, unsecured with bi-annual repayments.

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

17. Statement of funds

	As restated Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General Funds	3,200	1,191	(446)	-	-	3,945
Restricted general funds						
General Annual Grant (GAG)	2,708	22,450	(21,358)	(1,205)	-	2,595
Teachers' Pay/Pension Grant	-	868	(868)	-	-	-
Other grants	-	1,157	(1,157)	-	-	-
Other reserve	(1,399)	-	(47)	169	-	(1,277)
Pension reserve	(95)	-	(206)	-	301	-
	<u>1,214</u>	<u>24,475</u>	<u>(23,636)</u>	<u>(1,036)</u>	<u>301</u>	<u>1,318</u>
Restricted fixed asset funds						
Transfer on conversion	44,236	-	(1,313)	-	-	42,923
DfE/ESFA capital grants	5,134	1,066	(184)	1,036	-	7,052
	<u>49,370</u>	<u>1,066</u>	<u>(1,497)</u>	<u>1,036</u>	<u>-</u>	<u>49,975</u>
Total Restricted funds	<u>50,584</u>	<u>25,541</u>	<u>(25,133)</u>	<u>-</u>	<u>301</u>	<u>51,293</u>
Total funds	<u><u>53,784</u></u>	<u><u>26,732</u></u>	<u><u>(25,579)</u></u>	<u><u>-</u></u>	<u><u>301</u></u>	<u><u>55,238</u></u>

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

17. Statement of funds (continued)

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

Restricted general funds

The General Annual Grant is the recurrent funding to be used for the educational purposes in accordance with the Academy Trust's Funding Agreement with the DfE. The pension reserve of £95k (overdrawn) represents the Academy Trust's share of the deficit in the Warwickshire Pension Fund, Leicestershire County Council Pension Fund and Nottinghamshire Pension Fund.

Payments are being made in line with those required by the tri annual valuation in order to reduce the Trust's share of the deficit.

Restricted other funds

From time to time, additional fund are applied for as set out above or specific purposes laid down by the grant provider and to be used for educational purposes.

Fixed asset funds

This fund represents the net book value of fixed assets that the Academy Trust has purchased out of grants and donations received or were transferred on conversion. It also includes unspent capital monies at the year end.

Unrestricted funds

The unrestricted funds represent funds available to the Trustees to apply for for the general purposes of the Academy Trust.

Transfers relate to GAG funds used for capital expenditure.

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

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	As restated Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	As restated Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	2,431	1,165	(396)	-	-	3,200
	<u>2,431</u>	<u>1,165</u>	<u>(396)</u>	<u>-</u>	<u>-</u>	<u>3,200</u>
Restricted general funds						
General Annual Grant (GAG)	1,830	20,698	(19,064)	(756)	-	2,708
Teachers' Pay/Pension Grant	-	1,153	(1,153)	-	-	-
Other grants	-	1,071	(1,071)	-	-	-
Other reserve	(1,524)	-	(46)	171	-	(1,399)
Pension reserve	(14,103)	-	(1,413)	-	15,421	(95)
	<u>(13,797)</u>	<u>22,922</u>	<u>(22,747)</u>	<u>(585)</u>	<u>15,421</u>	<u>1,214</u>
	<u>(13,797)</u>	<u>22,922</u>	<u>(22,747)</u>	<u>(585)</u>	<u>15,421</u>	<u>1,214</u>
Restricted fixed asset funds						
Transfer on conversion	45,475	-	(1,239)	-	-	44,236
DfE/ESFA capital grants	1,240	3,836	(527)	585	-	5,134
	<u>46,715</u>	<u>3,836</u>	<u>(1,766)</u>	<u>585</u>	<u>-</u>	<u>49,370</u>
	<u>46,715</u>	<u>3,836</u>	<u>(1,766)</u>	<u>585</u>	<u>-</u>	<u>49,370</u>
Total Restricted funds	<u>32,918</u>	<u>26,758</u>	<u>(24,513)</u>	<u>-</u>	<u>15,421</u>	<u>50,584</u>
	<u>32,918</u>	<u>26,758</u>	<u>(24,513)</u>	<u>-</u>	<u>15,421</u>	<u>50,584</u>
Total funds	<u><u>35,349</u></u>	<u><u>27,923</u></u>	<u><u>(24,909)</u></u>	<u><u>-</u></u>	<u><u>15,421</u></u>	<u><u>53,784</u></u>
	<u><u>35,349</u></u>	<u><u>27,923</u></u>	<u><u>(24,909)</u></u>	<u><u>-</u></u>	<u><u>15,421</u></u>	<u><u>53,784</u></u>

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	As restated 2022 £000
Bilborough Sixth Form College - revenue funds	2,602	2,433
Bilborough Sixth Form College - loan funds	(1,277)	(1,399)
Gateway Sixth Form College	1,777	1,888
King Edwards VI College	2,161	1,587
Better Futures MAT	-	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	5,263	4,509
Restricted fixed asset fund	49,975	49,370
Pension reserve	-	(95)
	<hr/>	<hr/>
Total	55,238	53,784
	<hr/> <hr/>	<hr/> <hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Bilborough Sixth Form College	6,107	1,194	580	1,677	9,558	8,875
Gateway Sixth Form College	4,444	1,373	419	966	7,202	7,373
King Edwards VI College	4,267	1,726	496	833	7,322	6,901
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	14,818	4,293	1,495	3,476	24,082	23,149
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	49,118	49,118
Current assets	3,945	5,284	857	10,086
Creditors due within one year	-	(2,753)	-	(2,753)
Creditors due in more than one year	-	(1,213)	-	(1,213)
Total	3,945	1,318	49,975	55,238

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

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	As restated Restricted fixed asset funds 2022 £000	As restated Total funds 2022 £000
Tangible fixed assets	-	-	46,232	46,232
Current assets	3,200	5,659	3,138	11,997
Creditors due within one year	-	(2,998)	-	(2,998)
Creditors due in more than one year	-	(1,352)	-	(1,352)
Provisions for liabilities and charges	-	(95)	-	(95)
Total	3,200	1,214	49,370	53,784

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

19. Reconciliation of net income to net cash flow from operating activities

	2023	As restated
	£000	2022
		£000
Net income for the year (as per Statement of Financial Activities)	1,153	3,014
Adjustments for:		
Depreciation charges	1,498	1,364
Capital grants from DfE and other capital income	(1,066)	(3,836)
Defined benefit pension scheme cost less contributions payable	205	1,176
Defined benefit pension scheme finance cost	1	237
Decrease/(increase) in debtors	2,294	(2,484)
(Decrease)/increase in creditors	(210)	501
Corporation tax paid	(31)	-
Net cash provided by/(used in) operating activities	3,844	(28)

20. Cash flows from financing activities

	2023	2022
	£000	£000
Repayments of borrowing	(143)	(121)

21. Cash flows from investing activities

	2023	As restated
	£000	2022
		£000
Purchase of tangible fixed assets	(4,384)	(1,796)
Capital grants from DfE Group	1,066	3,836
Net cash (used in)/provided by investing activities	(3,318)	2,040

22. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	8,501	8,118

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

23. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	8,118	383	8,501
Debt due within 1 year	(130)	4	(126)
Debt due after 1 year	(1,352)	139	(1,213)
	<u>6,636</u>	<u>526</u>	<u>7,162</u>

24. Capital commitments

	2023 £000	2022 £000
Contracted for but not provided in these financial statements	<u>804</u>	<u>465</u>

25. Pension commitments

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

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

Contributions amounting to £323k were payable to the schemes at 31 August 2023 (2022 - £302k) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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

25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,172k (2022 - £2,036k).

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 2023 was £967k (2022 - £829k), of which employer's contributions totalled £746k (2022 - £640k) and employees' contributions totalled £221k (2022 - £189k). The agreed contribution rates for future years are 14 - 18 per cent for employers and 5.5 - 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

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

25. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.50 - 4.00	3.55 - 3.95
Rate of increase for pensions in payment/inflation	2.90 - 3.00	2.95 - 3.05
Discount rate for scheme liabilities	5.20 - 5.30	4.25

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

	2023	2022
	Years	Years
Retiring today		
Males	19.7 - 21.1	21.5 - 21.7
Females	23.1 - 23.8	24.0 - 24.4
Retiring in 20 years		
Males	20.6 - 21.7	22.4 - 23.0
Females	24.6 - 25.3	25.7 - 25.9

Sensitivity analysis on defined benefit obligations

	2023	2022
	£000	£000
Discount rate -0.1%	343	451
Mortality assumption - 1 year increase	636	706
CPI rate +0.1%	321	412
Salary increase rate +0.1%	29	43

Share of scheme assets

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

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

	2023	2022
	£000	£000
Equities	11,503	11,499
Gilts	141	166
Corporate bonds	4,272	3,841
Property	2,166	2,208
Cash and other liquid assets	1,793	1,489
Total market value of assets	19,875	19,203

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

	2023	2022
	£000	£000
Current service cost	(947)	(1,813)
Interest income	827	317
Interest cost	(828)	(554)
Administrative expenses	(4)	(3)
Total amount recognised in the Statement of Financial Activities	(952)	(2,053)

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

	2023	2022
	£000	£000
At 1 September	19,298	33,164
Current service cost	947	1,813
Interest cost	828	554
Employee contributions	221	189
Actuarial gains	(3,908)	(15,991)
Benefits paid	(446)	(431)
At 31 August	16,940	19,298

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

25. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	19,203	19,061
Interest income	827	317
Actuarial losses	(3,607)	(570)
Employer contributions	746	640
Employee contributions	221	189
Benefits paid	(446)	(431)
Admin expenses	(4)	(3)
At 31 August	<u>16,940</u>	<u>19,203</u>

Included in the actuarial gains/(losses) within the scheme assets table above is £2,935k of notional surplus not recognised.

26. Operating lease commitments

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

	2023	2022
	£000	£000
Within 1 year	65	68
Between 1 and 5 years	81	73
	<u>146</u>	<u>141</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.

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28. Related party transactions

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

The spouse of D Shaw, a member of the key management personnel, is employed by the Academy Trust. Their appointment was made in open competition and D Shaw was not involved in the decision making process regarding the appointment. They were paid within the normal pay scales for their role and receive no special treatment as a result of their relationship to D Shaw.

29. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the Academy Trust received £823k (2022 - £1,018k) and disbursed £948k (2022 - £700k) from the fund. An amount of £612k (2022 - £737k) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

30. Prior year adjustment

During the year, the Trustees identified a material error in the capital grants included in the statement of financial activities as at 31 August 2022. This error has been corrected by way of prior period adjustment and the comparative balance sheet restated accordingly. The impact of this prior period adjustment is to increase the Trust's capital grants as at 31 August 2022 by £472k and increase the Trust's total funds at 31 August 2022 by an equivalent amount. The prior period adjustment has increased the Trust's "net income" per the statement of financial activities and the net assets per the balance sheet by £472k, by way of an adjustment to debtors and the restricted fixed asset fund.