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

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

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 (resigned 9 August 2024)
Helen Fulford (appointed 9 August 2024)

Trustees Stuart Stanley, Chair
Eileen Hartley, Vice Chair
Lorraine Gearing
Joseph Kevin Grindley
Norman MacDonald
Daniel Gutteridge
Ulysses Lyons, CEO
Harminder Bains
Paul Kendrick
Elizabeth Bunn
David Shaun Hides
Rebecca Khanna (appointed 17 July 2024)

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
Alicia Ford, Chief Finance Officer (appointed 1 June 2024)
Dominic Harrex, Chief Finance Officer (resigned 31 May 2024)
James Bagley, Principal at Gateway College
David Shaw, Principal at Bilborough College
Stuart Noss, Principal at King Edward VI College

Bankers Barclays Bank
High Street
Coventry
CV1 1ZZ

Allica Bank
2-3 Eldon Street
London
EC2M 7LS

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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 2024

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 2024. 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 4,700 learners on roll for the 2024-25 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

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period, the Academy Trust also purchased and maintained liability insurance for its Trustees.

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.

Recruitment of Trustees 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 are eligible to serve 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 and only extended in exceptional circumstances.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

A comprehensive induction framework is in place for new Trustees who receive support from the Chair, fellow Board members and Company Secretary. Annual safeguarding training is delivered. Trustees are encouraged to engage in an annual programme of governance webinars presented 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 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 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 through a Scheme of Delegation.

The committee structure of the Board of Trustees consists of:

- Search and Governance Committee
- Finance and Audit Committee (separate committees effective from 1 September 2024)
- Student Development Committee
- Executive Performance and Remuneration Committee
- Local Governing Bodies

Except for Local Governing Bodies, membership of Committees contains a majority of Trustees.

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 2024

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	8
Full-time equivalent employee number	6.8

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£000
Total cost of facility time	19
Total pay bill	20,653
Percentage of total pay bill spent on facility time	0.09 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	4.72 %
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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 KE6. During the year to 31 August 2024 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 and 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 basic 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management (continued)

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

In addition, the Trust has implemented a People Development Framework which has employee engagement at its centre. The strategy is grounded in four strategic goals, each with an associated commitment and a series of actions and measures of success. The strategic goals are as follows:

1. Develop tools and coaching practices which deliver outstanding personal development and wellbeing for staff in line with our Attributes.
2. Create unrivalled CPD and leadership development opportunities which allow staff to deliver at the highest possible level for students and colleagues.
3. Create systems and processes which deliver transparency, candid and developmental feedback, autonomy and accountability, allowing the wider organisation to flourish.
4. Develop a welcoming, psychologically safe and mutually trusting culture where staff feel equally valued, included and able to experiment / take risks to drive improvements for students.

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 continued to maintain and strengthen our relationships over the past 12 months. For suppliers, these practices include clear and transparent communications, the use of procurement frameworks, issuing of purchase orders, prompt payment and other good procurement practices.

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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 as 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:

- A. Ensure students feel safe, happy, welcome, and able to be their whole selves in an environment where EDI is actively championed.
- B. Develop clear practices for student feedback, co-creation and leadership which ensure our young people understand that they can make a difference and have agency in the world.
- C. Embed the Attributes skills framework and develop digital and AI skills to prepare students for the present and the future.
- D. Create an unrivalled package of data, support and information for students which allows them to flourish, ensuring high quality qualification outcomes and destinations for students.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Objectives and activities (continued)

b. Objectives, strategies and activities (continued)

2. People Development Strategy

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

- A. Develop tools and coaching practices which deliver outstanding personal development and wellbeing for staff in line with our Attributes.
- B. Create unrivalled CPD and leadership development opportunities which allow staff to deliver at the highest possible level for students and colleagues.
- C. Create a culture of transparency, candid and developmental feedback, autonomy, mutual trust and accountability which allows the wider organisation to flourish.
- D. Develop a welcoming, psychologically safe culture where staff feel equally valued, included and able to experiment / take risks to drive improvements for students.

3. Resources & Professional Services 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:

- A. Develop high levels of financial literacy and entrepreneurial approaches to deliver surplus budgets.
- B. Develop corporate teams who demonstrate unrivalled levels of service and innovation.
- C. Create exceptional data dashboards to inform high-quality decision making.
- D. Deliver College operations with an absolute commitment to high levels of social responsibility and sustainability.

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:

- Development of a Progression Framework based on a shared articulation of the 'graduate attributes' our students should develop in order to thrive at College and beyond.
- 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 2024

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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report

Achievements and performance

The academic year 23/24, overall, has been successful across the Colleges in the Trust. Two of the three Colleges were subject to Ofsted inspections and both retained their 'Good' grading. As part of the Bilborough inspection, they were also graded Outstanding for Behaviour & Attitudes. The quote below from Ofsted highlights a key success at Bilborough, but can equally be applied across the Trust in terms of the approaches we are building with our students:

"Teachers expect students to be self-motivated and autonomous in their learning. Students behave accordingly, demonstrating a very professional and mature manner. Students are enthusiastic and curious, with exceptional attitudes to their learning."

Central to this has been the development of the BFMAT 'Attributes'. They are an adaptation of the Coventry University Graduate Attributes which we are trying to develop in all of our students and staff. These attributes are:

- Get things done
- Adapt my approach
- Communicate effectively
- Act with integrity
- Think creatively
- Remain positive (BFMAT addition)

While still relatively early in their development, a significant amount of work has and is being done to align our quality and improvement processes to these attributes. We have already seen that where they are becoming embedded it is having a real impact on the development of both our students' and staff, and as such is a more useful indicator of progress than many of the standard metrics we also use. It is also helping us highlight to our students the 'golden thread' of skills and attributes needed to be successful at College and beyond. Adopting and adapting the Coventry University Graduate Attributes has also helped underpin the wide range of student and staff development activities that we have co-created with our Sponsor over the past year. These are increasing year on year and becoming embedded into the life of the Trust. They range from, and are not limited to;

For Students:

- Student to student mentoring, including student leadership development
- Support with transition to HE, apprenticeships and/or employment
- Placements and student research projects
- Masterclasses and joint projects
- Access to University resources and services
- Support with alumni networks

For Staff:

- CPD sessions with HE staff and employers
- Projects and activities to help understanding of transition to HE
- Mentoring/coaching with HE staff
- Joint work on guidance and best practice in use of AI
- Understanding curriculums and educational approaches
- Access to University resources and services

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

Other:

- Endorsement of practical activities for additional qualifications
- Support for rising sports stars
- Coventry University Student involvement in all the above
- Co-creation of 16-19 ITT with NITE (National Institute for Teacher Education)
- Development and co-delivery of Level 4 provision such as E-Sports

Alongside these developments, another key success has been the development of a bespoke student pulse survey app. Our staff pulse survey platform has proved invaluable as an engagement and improvement tool across the Colleges, but there is no such product available for students. We have spent the past year developing and launching our own bespoke app (Swaya) which asks students six questions a week and then maps the responses against the development of our attributes and other quality measures. This has been co-designed with students and staff and will be embedded within all of our improvement and development processes over the next 12 months. This is unique for the sector and demonstrates our commitment to developing student leadership/agency, as well as the development of a set of more nuanced and useful metrics to aid development and improvement.

a. Key performance indicators

	2023 results				2024 results			
	Bilb	GW	KE6	Trust	Bilb	GW	KE6	Trust
Retention - whole student	95.9	92.9	95.9	92.9	96.5	95.6	93.7	95.2
Retention - course level	87	89	90	88	92	89	83	87
Pass rate level 3	97	95	92	95	97	96	91	95
Pass rate GCSE Maths <u>resit</u> (% 9-4)	0	25	21.5	24.5	N/A	33.7	33	33.5
Pass Rate GCSE English <u>resit</u> (% 9-4)	N/A	50.4	64.6	52.7	N/A	40.1	49	42.5
Pass rate all other L2	N/A	92.8	81.6	87.2	N/A	97	86	93

- Whole student retention as a Trust has on average improved across the three Colleges.
- Subject level retention has dipped this is mainly due to a fall at KE6. Much of this loss of students happened by the start of 23/24 and retention over the past 12 months at KE6 is now showing strong improvement.
- The overall level pass rate remains strong as a Trust, although there has been a drop at KE6. College level and cross Trust Improvement processes and initiatives are in place to address this for the upcoming year
- Whilst there has been a dip across the Trust in GCSE resit pass rates, they remain above national benchmarks. GCSE resit maths pass rates vary across the Trust but show improvement on the previous year and are well above national benchmarks for resits.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Strategic report (continued)

Achievements and performance (continued)

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, expenditure and student number expectations which support the financial plan and strategy of the MAT. 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.

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 People 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 Professional Services 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.

No new Academies have joined the Trust during the period covered by the report. Financial systems have been successfully consolidated in the year and work continues to improve the consolidation of the financial processes across the Colleges. The Trust has reviewed its Financial Regulations and Scheme of Delegation in the previous six months.

At 31 August 2024 the net book value of fixed assets was £49,887k (2023 - £49,118k). The closing fixed asset position across the Academy is comprised of the following: Gateway College: £25,305k, Bilborough College: £18,969k, King Edward VI College: £5,575k and the Trust: £38k. Movements in tangible fixed assets are shown in note 15 to the Financial Statements.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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 2024 planned income of £28,164k determines a minimum reserves balance of £1,408k.

The level of restricted general fund reserves is a surplus position of £1,109k and the unrestricted fund is in a surplus position of £4,704k 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 19).

The closing level of reserves is £56,144k (excluding pension reserve), this comprises of restricted general fund of £1,109k, restricted Fixed Asset fund of £50,331k plus unrestricted reserve reserves of £4,704k. The Fixed Asset fund of £50,331k, can only be realised by disposing of tangible fixed assets of £49,887k.

The Trust has reviewed the balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted fund reserves at 31st August 2024. In the statements that follow, this would be a net surplus of £1,109k + £4,704k = £5,813k. Further details can be found in note 19 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.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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 and regularly reviewed at Committee and Board level. 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 Bodies.

Outlined below is a description of the principal risk factors that may affect the Trust. Other factors besides those listed below may also adversely affect the Trust.

Risk Description and Impact	Mitigation Strategies
Teaching & 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	<ul style="list-style-type: none"> • Student Development Strategy has key focus on developing new approaches to Teaching and Learning • New TLA development programme has focus on move from pedagogy to heutagogy • Quality Assurance and Improvement mechanisms aligning across Trust to maximise efficiency and impact on TLA • Launch of student pulse app to be aligned with new approaches to quality improvement and assurance.
Shifting qualifications landscape, particularly around vocational qualifications leading to curriculum offer that does not meet needs of students and other stakeholders	<ul style="list-style-type: none"> • Continued work with Protect student Choice campaign to lobby for significant pause and review of proposed changes • Active engagement with T-Level provision where appropriate • Agile approach to curriculum planning and exploration of different approaches to delivering qualifications to a wider range of students

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Risk Description and Impact	Mitigation Strategies
The role of students is not developed sufficiently to be able to have significant impact on design, delivery and evaluation of our provision	<ul style="list-style-type: none">• Launch of student pulse app to be aligned with new approaches to quality improvement and assurance.• Aligned student leadership programme to be launched.• Pilot projects on student co-creation of provision to run throughout 24-25• New TLA development programme has focus on move from pedagogy to heutagogy
Lack of alignment and development of leadership skills for middle and senior leaders reduce capacity to improve provision	<ul style="list-style-type: none">• People Development Strategy has key focus on leadership development.• Leadership Development programmes well established at all levels• External coaching and support programmes used where needed• Realignment of some structures in process to further support alignment and maximise development opportunities
Increasing cost base combined not matched by increased levels of funding leads to financial instability and unsustainable provision	<ul style="list-style-type: none">• Deficit recovery project in place• Continue to develop a Central Services offer that creates further efficiencies• Review of in year control/oversight of staffing budgets• Ongoing iterative review of financial plan considering changing contextual factors such as inflation, pay awards• Explore opportunities for Trust expansion with new colleges and other SFC focused MATs

Fundraising

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

BETTER FUTURES MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Streamlined energy and carbon reporting

The BFMAT UK Greenhouse gas emissions and energy use in the reporting period ending 31st August 2024 is shown in table 1. The Trust used 2,386,485 kWh of gas and 1,706,543 kWh of electricity in the period. Total gross metric tonnes CO₂e emissions is calculated as 790.

The Trust has made use of the Government Greenhouse gas reporting conversion factors 2024 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 0.17.

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:

	2024	2023
Energy consumption used to calculate emissions (kWh)	4,093,027	3,193,096
Energy consumption breakdown (kWh):		
Gas	2,386,485	1,765,701
Electricity	1,706,543	1,427,395
Scope 1 emissions (in tonnes of CO₂ equivalent):		
Gas consumption	436	322
Total scope 1	<u>436</u>	<u>322</u>
Scope 2 emissions (in tonnes of CO₂ equivalent):		
Purchased electricity	353	296
Total gross emissions (in tonnes of CO₂ equivalent):	<u>789</u>	<u>618</u>
Intensity ratio:		
Tonnes of CO ₂ equivalent per pupil	<u>0.17</u>	<u>0.14</u>

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Plans for future periods

Over the next twelve months the Trust intends to focus resource and strategy on:

1. Student Development

- A. Attributes Development: Fully embedding our attributes into our day-to-day approaches and processes to develop students and our quality improvement work.
- B. Student Leadership: Ensuring our pulse survey app (Swaya) and our student leadership programmes are embedded in our culture and having an impact on the design, delivery and evaluation of our provision.

2. People Development

- A. Leadership Development: Ongoing development of our aspiring, middle and senior leadership development programmes and the further development of the Leadership Feedback 360 platform into quality and review processes.
- B. Personal & Team Development: ongoing development work to ensure our staff pulse app and other forms of feedback are being used effectively to improve provision for all stakeholders, together with further development of approaches to developing a coaching culture throughout our staff.

3. Finance & Professional Services Development

- A. Financial Sustainability: Improving financial literacy and planning processes for middle and senior leaders and iterative implementation of deficit recovery plan.
- B. Professional Services Development: Further alignment of professional services offer across the Trust and implementation of the recommendations arising from Professional Services Reviews carried out in 23/24.

4. KPI Development

- A. Ensuring we have a comprehensive suite of Key Progress Indicators that adequately measure our progress against our strategic goals and are widely understood, valued and used by a range of stakeholders to improve provision.

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, forward thinking 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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

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 _____ and signed on its behalf by:

.....
Stuart Stanley
Chair of Trustees

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge it is our overall responsibility to ensure that 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 its Articles, its Funding Agreements, the Academy Trust Handbook and relevant statutory legislation. As Trustees, we have reviewed and taken account of guidance in the DfE's Governance Handbook and Competency Framework for governance (withdrawn in March 2024 and replaced with the Academy Trust Governance Guide).

The Trust Board has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between 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.

The Trustees consider that the Board and its Committees combined, met sufficiently over the course of the year to discharge their responsibilities robustly and effectively.

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	6	7
Eileen Hartley, Vice Chair	4	7
Lorraine Gearing	3	7
Kevin Grindley	7	7
Norman MacDonald	4	7
Daniel Gutteridge	3	7
Ulysses Lyons, Chief Executive Officer	7	7
Harminder Bains	3	7
Paul Kendrick	7	7
Elizabeth Bunn	5	7
Shaun Hides	3	7
Rebecca Khanna (appointed 17 July 2024)	0	0

Key changes to the composition of the Board

During the period 1 September 2023 to date of approval of the accounts, the Board of Trustees received no resignations. One new appointment was made to further strengthen 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.

BETTER FUTURES MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Key Coverage of Work

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

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, each of whom 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 robustly monitored by the Board.

Conflicts of interest

Trustees understand they have a legal duty to act only in the best interests of the Trust and to exercise independent judgement when carrying out their responsibilities. The Board of Trustees has a strong and independent non-executive element and no individual or group dominates its decision-making. The Board of Trustees considers that each of its non-executive members is independent of management and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. 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.

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 Board of Trustees commissioned ASSYNT to undertake an external review of governance to provide an independent opinion on the Board's effectiveness in fulfilling its responsibilities of good governance. The review was conducted from September to December 2023. Key areas of focus included the Board as strategic influencer, Board dynamics and Local Governance engagement. The approach was deliberately developmental to elicit recommendations that would support the Trust to deliver its key strategic aims with greater effectiveness. The scope included observation of Board, central Committee and Local Governing Body meetings, structured interviews with key stakeholders, a survey, and desk-based review of documentation.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The report concluded the Trust could take significant assurance from the findings that evidenced governance arrangements as effective and composition of the Trust Board appropriate to scrutinise and provide strategic direction. Levels of challenge and accountability was evidenced as high.

The review has provided the Trust with a set of clear and useful recommendations to further improve the quality, performance and impact of governance. In collaboration with the LGB Chairs Group, an improvement plan was put in place to take forward recommendations from the review. Progress against the plan is regularly monitored.

During the reporting period, normal in-year bite-size self-assessment was put on hold and resources directed to implementation of the external governance improvement plan. The Trust did, however, continue to self-assess its compliance against the schedule of 'musts' in the Academy Trust Handbook. Internal bite-size self-assessment will resume in 2024-25. Additionally, the opportunity is made available to Trustees to have a one-to-one review with the Chair to identify any further areas of support they may require to fulfil their role effectively.

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 to support decision making. Members of the Executive Team routinely attend 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 External Governance Review report highlighted the existence of a culture of openness and constructive challenge within governance.

The triangulation of quantitative information with qualitative information is embedded in 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

The Board has delegated authority to Committees for particular aspects of the Trust's work. All Committees have clear Terms of Reference that are reviewed annually. As the Trust has grown, the Committee Structure has been kept under review to ensure continued appropriate levels of delegation and 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	5	6
Norman MacDonald	4	6
Paul Kendrick, Chair	6	6
Louise Tweedie (External Member)	4	6

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

With effect from 2024-25, the Trust Board has established separate committees for oversight of Audit and Risk, and Finance and Resources. The rationale for this decision included an ever-expanding role in the Academy Trust Handbook for audit and risk as part of the internal audit scrutiny programme; importance of a continued focus on financial management against the current backdrop of general financial and economic volatility; recommendations from an internal audit on financial performance monitoring; and recommendations from the External Governance Review in terms of ensuring the Committee structure is agile and provides a good foundation for future growth. Membership will also include Local Governors so that the Trust is drawing on expertise and specialism across the MAT which, in turn, we believe will enrich a sense of belonging.

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 a skills matrix and promotion of diversity to ensure a range of perspectives. The Committee also co-ordinates governance reviews. Attendance at meetings during the year was as follows:

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Stuart Stanley, Chair	2	2
Eileen Hartley	2	2
Kevin Grindley	2	2
Ulysses Lyons	2	2

Student Development Committee

The Committee is responsible for monitoring, supporting and challenging progress in 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
Kevin Grindley	2	3
Ulysses Lyons	3	3
Elizabeth Bunn	1	3
Shaun Hides, Chair	3	3
Harminder Bains	1	3
Ian Turner	1	3
Rebecca Khanna	3	3
Chris Goldsmith	1	1
Christine Page	1	1

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

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 including that provided by the Sixth Form Colleges' Association. 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	0	1
Lorraine Gearing	1	1
Stuart Stanley	1	1
Daniel Gutteridge	1	1

The Trust Board is committed to developing and maintaining strong and effective Local Governing Bodies (LGBs) for each of its constituent academies. The LGBs are accountable to the Board of Trustees and are its “eyes and ears” at 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 teaching, learning and student outcomes. Local Governors also monitor the deployment and effectiveness of Trust resources. LGBs help the Trust to establish an on-going dialogue with key stakeholders at each institution (including parents and staff) as well as championing student agency.

Attendance at LGB meetings during the year was as follows:

LGB Bilborough	Attended	Out of a possible
Nicky Harrold, Chair	6	7
Shiv Nand, Vice-Chair	6	7
Christopher Hulse	7	7
Kate Simpson	7	7
Ian Turner	6	7
Alan Simpson	6	7
Sarra Jenkins	6	7
Sharon Jagdev Powell	5	5
Jason Beaumont	5	5
Chris McGunnigle	6	7
Angel Akpovi	2	2
Mia Hudson	2	2
Helen Maddison	2	2
Zoe Galloway-Grant	3	3
David Shaw, Principal	7	7
Shanine Fasasi (resigned 2.3.24)	1	2
Sheilagh Resnick (resigned 13.5.24)	3	5
Sarah Whitney (resigned 13.5.24)	4	6
Mustafa Abdulsalam (resigned 13.5.24)	2	5
Samuel Onwuteaka (resigned 13.5.24)	4	5
Vanessa Kingsbury (resigned 16.5.24)	2	4
Uwe Vinkemeier (resigned 2.7.24)	7	7

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

LGB Gateway	Attended	Out of a possible
Nathan Smith, Chair	6	7
Sadik Karolia, Vice-Chair	7	7
Nelista Cuffy	5	7
Christine Page	6	7
Gufan Usmani	5	7
Saiyaf Zulfecar	3	7
Chris Goldsmith	4	7
Muhammad Imran Khan	2	7
Patricia Hamer	4	7
Harry Lal	3	3
Mariam Hassan	6	7
Loreto Agagwu	3	7
James Bagley, Principal	7	7
Charlotte Cassells (resigned 9.10.23)	0	1
John Kirk (resigned 22.1.24)	2	2
Steven Lockwood (resigned 30.1.24)	3	3

LGB King Edward VI	Attended	Out of a possible
Jacqui Clements, Chair	7	7
Rebecca Khanna, Vice-Chair	5	7
David Butcher	7	7
Elizabeth Cutter	4	7
Karen Green	5	6
Abu Malek	5	7
William Rupp	4	7
Natasha Broomfield-Reid	1	2
Clare Wharton	1	2
Vicki Ensor	5	5
Ria Jenkins	4	4
James Corbett	1	1
Callum Monaghan	3	7
Stuart Noss, Principal	7	7
Mark Crook (resigned 28.9.23)	0	1
Lindsey Evans (resigned 5.1.24)	2	2
Sam Powell (resigned 15.1.24)	1	2
Bhim Saru (resigned 24.1.24)	3	3
Neil Ketley (resigned 4.6.24)	1	4
Sarah Baker (resigned 11.6.24)	3	6
Paul Hickling (resigned 27.6.24)	5	6

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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:

- T Level Development Grants and Post 16 Capacity Funds have been used to develop 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.
- Continuing to develop the Trust's Central Services which achieves efficiencies through economies of scale whilst improving resilience e.g centralization of IT, Data & MIS services.
- Continuing to carry out competitive procurement processes in line with our policies including the use of Procurement Frameworks that enable value for money and assurance of compliance with regulation.
- 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.
- 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.

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 2023 to 31 August 2024 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 2023 to 31 August 2024 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 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 2023/24 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 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 two was substantial assurance and one was 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.

Following these internal audit recommendations, from September 2024, the Trust Finance & Audit Committee will be split into a Finance and Resources Committee alongside an Audit and Risk Committee. This will allow for more focus on the roles outlined above, and will involve Local Governing Body representation, further strengthening our ability to identify and mitigate risks.

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GOVERNANCE STATEMENT (CONTINUED)

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.

Conclusion

Based on the advice of the Audit and Risk Committee and the Accounting Officer, the Board of Trustees is of the opinion that the Academy Trust has an adequate and effective framework for governance, risk management and control.

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

.....
Stuart Stanley
Chair of Trustees
Date:

.....
Ulysses Lyons
Accounting Officer
Date:

BETTER FUTURES MULTI-ACADEMY TRUST
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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 2023, 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 2023.

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

.....
Ulysses Lyons
Accounting Officer

Date:

BETTER FUTURES MULTI-ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2024

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 2023 to 2024;
- 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
Chair of Trustees

Date:

BETTER FUTURES MULTI-ACADEMY TRUST
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**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 2024 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 2023 to 2024 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 2024 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 2023 to 2024.

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 statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 31, 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 2023 to 2024.

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 management 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 (Senior Statutory Auditor)

for and on behalf of

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

Date:

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 26 July 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, 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 2023 to 31 August 2024 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 2023, 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 2023 to 2024. 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 2023 to 31 August 2024 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, nothing has come to our attention which suggest that in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Forvis Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date:

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 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		-	-	785	785	1,066
Other trading activities	5	868	368	-	1,236	777
Investments	6	53	-	-	53	-
Charitable activities:						
Funding for the academy trust's educational operations	4	505	26,409	-	26,914	24,889
Total income		<u>1,426</u>	<u>26,777</u>	<u>785</u>	<u>28,988</u>	<u>26,732</u>
Expenditure on:						
Raising funds	7	18	-	-	18	50
Charitable activities:						
Academy trust educational operations	8	649	25,371	1,777	27,797	25,529
Total expenditure		<u>667</u>	<u>25,371</u>	<u>1,777</u>	<u>27,815</u>	<u>25,579</u>
Net income/ (expenditure)		759	1,406	(992)	1,173	1,153
Transfers between funds	19	-	(1,348)	1,348	-	-
Net movement in funds before other recognised gains/(losses)		<u>759</u>	<u>58</u>	<u>356</u>	<u>1,173</u>	<u>1,153</u>
Actuarial gains/(losses) on defined benefit pension schemes	27	-	(267)	-	(267)	301
Net movement in funds		<u><u>759</u></u>	<u><u>(209)</u></u>	<u><u>356</u></u>	<u><u>906</u></u>	<u><u>1,454</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 2024

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Note					
Reconciliation of funds:					
Total funds brought forward	3,945	1,318	49,975	55,238	53,784
Net movement in funds	759	(209)	356	906	1,454
Total funds carried forward	4,704	1,109	50,331	56,144	55,238

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

BALANCE SHEET
AS AT 31 AUGUST 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	15	49,887	49,118
		49,887	49,118
Current assets			
Debtors	16	2,336	1,585
Cash at bank and in hand	24	6,715	8,501
		9,051	10,086
Liabilities			
Creditors: Amounts falling due within one year	17	(2,740)	(2,753)
		6,311	7,333
Net current assets			
		56,198	56,451
Total assets less current liabilities			
Creditors: Amounts falling due after more than one year	18	(54)	(1,213)
		56,144	55,238
Net assets excluding pension liability			
Defined benefit pension scheme liability	27	-	-
		56,144	55,238
Total net assets			
		56,144	55,238
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	50,331	49,975
Restricted income funds	19	1,109	2,595
Other reserve	19	-	(1,277)
Pension reserve	19	-	-
		51,440	51,293
Total restricted funds			
Unrestricted income funds	19	4,704	3,945
		56,144	55,238
Total funds			
		56,144	55,238

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

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The financial statements on pages 38 to 69 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

.....
Stuart Stanley
Chair of Trustees

Date:

The notes on pages 43 to 69 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 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	1,197	3,844
Cash flows used in investing activities	23	(1,709)	(3,318)
Cash flows used in financing activities	22	(1,274)	(143)
Change in cash and cash equivalents in the year		(1,786)	383
Cash and cash equivalents at the beginning of the year		8,501	8,118
Cash and cash equivalents at the end of the year	24, 25	<u>6,715</u>	<u>8,501</u>

The notes on pages 43 to 69 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 2024

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 2023 to 2024 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 2024

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
Plant and machinery	- 5 - 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 2024

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 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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 2024

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 31.

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 2024

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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 27 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 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Capital Grants	785	785	1,066
Total 2023	1,066	1,066	

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	24,452	24,452	22,451
Other DfE/ESFA grants				
Teachers' Pay/Pension Grants	-	1,134	1,134	868
Other	-	154	154	489
	-	25,740	25,740	23,808
Other Government grants				
Local Authority Grants	-	669	669	561
	-	669	669	561
Other income from the academy trust's educational operations	505	-	505	520
Total 2024	505	26,409	26,914	24,889
Total 2023	512	24,377	24,889	

5. Income from other trading activities

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Hire of facilities	116	-	116	96
Income from other charitable activities	-	368	368	98
Income from ancillary trading activities	752	-	752	583
Total 2024	868	368	1,236	777
Total 2023	679	98	777	

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

6. Investment income

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Interest from short term deposits	53	53	-

7. Expenditure

	Staff Costs 2024 £000	Premises 2024 £000	Other 2024 £000	Total 2024 £000	Total 2023 £000
Expenditure on raising funds:					
Allocated support costs	-	-	18	18	50
Academy Trust's educational operations:					
Direct costs	15,599	1,209	2,013	18,821	17,566
Allocated support costs	4,947	1,669	2,360	8,976	7,963
Total 2024	20,546	2,878	4,391	27,815	25,579
Total 2023	18,858	2,911	3,810	25,579	

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NOTES TO THE FINANCIAL STATEMENTS
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8. Charitable activities

	2024	2023
	£000	£000
Direct costs - educational operations	18,821	17,566
Support costs - educational operations	8,976	7,963
	<u>27,797</u>	<u>25,529</u>

	2024	2023
	£000	£000
Analysis of support costs		
Support staff costs	4,947	4,041
Depreciation	568	263
Technology costs	362	363
Premises costs	1,669	1,672
Legal costs - other	4	69
Other support costs	1,368	1,490
Governance costs	58	65
	<u>8,976</u>	<u>7,963</u>

9. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£000	Amount	Reason
		£000	
Unrecoverable debts	34	34	Written off amounts owed by Leicestershire County Council

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2024	2023
	£000	£000
Operating lease rentals	135	90
Depreciation of tangible fixed assets	1,778	1,476
Fees paid to auditor for:		
- audit	35	27
- other services	11	13
	<u> </u>	<u> </u>

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	2023
	£000	£000
Wages and salaries	15,184	14,183
Social security costs	1,571	1,411
Pension costs	3,338	3,120
	<u>20,093</u>	<u>18,714</u>
Agency staff costs	398	76
Staff restructuring costs	55	68
	<u>20,546</u>	<u>18,858</u>

Staff restructuring costs comprise:

	2024	2023
	£000	£000
Redundancy payments	-	18
Severance payments	55	50
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

11. Staff (continued)

b. Severance payments

The Academy Trust paid 2 severance payments in the year (2023 - 11), disclosed in the following bands:

	2024	2023
	No.	No.
£0 - £25,000	-	11
£25,001 - £50,000	2	-
	<u> </u>	<u> </u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £41k (2023 - £39k). Individually, the payments were: £30k and £11k.

d. Staff numbers

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

	2024	2023
	No.	No.
Teachers	239	234
Administration and Support	273	253
Management	24	21
	<u> </u>	<u> </u>
	<u>536</u>	<u>508</u>

e. Higher paid staff

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

	2024	2023
	No.	No.
In the band £60,001 - £70,000	11	5
In the band £70,001 - £80,000	5	3
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	1	2
In the band £100,001 - £110,000	2	1
In the band £110,001 - £120,000	1	-
In the band £140,001 - £150,000	1	1
	<u> </u>	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

11. Staff (continued)

e. Higher paid staff (continued)

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,046k (2023 - £959k).

12. 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 3.7% of GAG income.

The actual amounts charged during the year were as follows:

	2024	2023
	£000	£000
Bilborough Sixth Form College	373	224
Gateway Sixth Form College	263	157
King Edwards College	272	169
Total	908	550

13. 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:

		2024	2023
		£000	£000
U Lyons (Accounting Officer and Trustee)	Remuneration	140 - 145	140 - 145
	Pension contributions paid	35 - 40	30 - 35

During the year ended 31 August 2024, no Trustee expenses have been incurred (2023 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

14. 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 (2023 - 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 2024

15. Tangible fixed assets

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Plant and machinery £000	Computer equipment £000	Motor vehicles £000	Assets under construction £000	Total £000
Cost								
At 1 September 2023	45,629	5,641	1,491	-	1,677	5	-	54,443
Additions	115	121	574	81	894	-	762	2,547
At 31 August 2024	45,744	5,762	2,065	81	2,571	5	762	56,990
Depreciation								
At 1 September 2023	3,305	895	438	-	682	5	-	5,325
Charge for the year	984	226	204	5	359	-	-	1,778
At 31 August 2024	4,289	1,121	642	5	1,041	5	-	7,103
Net book value								
At 31 August 2024	41,455	4,641	1,423	76	1,530	-	762	49,887
At 31 August 2023	42,324	4,746	1,053	-	995	-	-	49,118

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

16. Debtors

	2024	2023
	£000	£000
Due within one year		
Trade debtors	313	29
VAT repayable	717	409
Other debtors	4	11
Prepayments and accrued income	1,302	1,136
	<u>2,336</u>	<u>1,585</u>

17. Creditors: Amounts falling due within one year

	2024	2023
	£000	£000
Bank loans (Note 18)	-	123
Other loans	11	3
Trade creditors	717	410
Other taxation and social security	346	347
Other creditors	400	323
Accruals and deferred income	1,266	1,547
	<u>2,740</u>	<u>2,753</u>

	2024	2023
	£000	£000
Deferred income		
Deferred income as at 1 September	1,153	1,194
Released from previous years	(1,153)	(1,194)
Resources deferred in the year	1,204	1,153
Deferred income as at 31 August	<u>1,204</u>	<u>1,153</u>

At the Balance Sheet date the Academy Trust was holding funds of £547k (2023 - £611k) Bursary and free school meal income, £226k (2023 - £34k) revenue grants and £431k (2023 - £508k) of other deferred income.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Creditors: Amounts falling due after more than one year

	2024	2023
	£000	£000
Bank loans	-	1,140
Other loans	54	73
	<u>54</u>	<u>1,213</u>

Loans include £65k 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.

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Unrestricted funds						
General Funds	3,945	1,426	(667)	-	-	4,704
Restricted general funds						
General Annual Grant (GAG)	2,595	24,452	(23,198)	(2,740)	-	1,109
Teachers' Pay/Pension Grant	-	1,134	(1,134)	-	-	-
Other grants	-	1,191	(1,191)	-	-	-
Other reserve	(1,277)	-	(115)	1,392	-	-
Pension reserve	-	-	267	-	(267)	-
	1,318	26,777	(25,371)	(1,348)	(267)	1,109
Restricted fixed asset funds						
Transfer on conversion	42,923	-	(1,503)	-	-	41,420
DfE/ESFA capital grants	7,052	785	(274)	1,348	-	8,911
	49,975	785	(1,777)	1,348	-	50,331
Total Restricted funds	51,293	27,562	(27,148)	-	(267)	51,440
Total funds	55,238	28,988	(27,815)	-	(267)	56,144

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. 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.

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 2024.

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds (continued)

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

	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 - all 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>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024 £000	2023 £000
Bilborough Sixth Form College - revenue funds	1,318	2,602
Bilborough Sixth Form College - loan funds	-	(1,277)
Gateway Sixth Form College	1,955	1,777
King Edwards VI College	2,540	2,161
Better Futures MAT	-	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	5,813	5,263
Restricted fixed asset fund	50,331	49,975
Pension reserve	-	-
	<hr/>	<hr/>
Total	56,144	55,238

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 2024 £000	Total 2023 £000
Bilborough Sixth Form College	6,618	1,287	930	1,643	10,478	9,558
Gateway Sixth Form College	4,843	1,209	378	1,009	7,439	7,202
King Edwards VI College	3,903	1,694	528	826	6,951	7,322
Better Futures MAT	291	679	62	138	1,170	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy Trust	15,655	4,869	1,898	3,616	26,038	24,082

BETTER FUTURES MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	-	49,887	49,887
Current assets	4,704	3,903	444	9,051
Creditors due within one year	-	(2,740)	-	(2,740)
Creditors due in more than one year	-	(54)	-	(54)
Total	<u>4,704</u>	<u>1,109</u>	<u>50,331</u>	<u>56,144</u>

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

	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	<u>3,945</u>	<u>1,318</u>	<u>49,975</u>	<u>55,238</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. Reconciliation of net income to net cash flow from operating activities

	2024 £000	2023 £000
Net income for the period (as per Statement of Financial Activities)	1,173	1,153
Adjustments for:		
Depreciation charges	1,778	1,498
Capital grants from DfE and other capital income	(785)	(1,066)
Investment income	(53)	-
Defined benefit pension scheme cost less contributions payable	(105)	205
Defined benefit pension scheme finance cost	(162)	1
(Increase)/decrease in debtors	(751)	2,294
Increase/(decrease) in creditors	102	(210)
Corporation tax paid	-	(31)
Net cash provided by operating activities	1,197	3,844

22. Cash flows from financing activities

	2024 £000	2023 £000
Repayments of borrowing	(1,274)	(143)

23. Cash flows from investing activities

	2024 £000	2023 £000
Investment income	53	-
Purchase of tangible fixed assets	(2,547)	(4,384)
Capital grants from DfE Group	785	1,066
Net cash used in investing activities	(1,709)	(3,318)

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

	2024	2023
	£000	£000
Cash in hand and at bank	6,715	8,501
	<u>6,715</u>	<u>8,501</u>

25. Analysis of changes in net debt

	At 1		At 31
	September	Cash flows	August 2024
	2023	£000	£000
	£000		£000
Cash at bank and in hand	8,501	(1,786)	6,715
Debt due within 1 year	(126)	115	(11)
Debt due after 1 year	(1,213)	1,159	(54)
	<u>7,162</u>	<u>(512)</u>	<u>6,650</u>
	<u>7,162</u>	<u>(512)</u>	<u>6,650</u>

26. Capital commitments

	2024	2023
	£000	£000
Contracted for but not provided in these financial statements	328	804
	<u>328</u>	<u>804</u>

27. 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 2020 and of the LGPS 31 March 2022.

Contributions amounting to £400k were payable to the schemes at 31 August 2024 (2023 - £323k) and are included within creditors.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the year amounted to £2,603k (2023 - £2,172k).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and 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.

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27. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,092k (2023 - £967k), of which employer's contributions totalled £839k (2023 - £746k) and employees' contributions totalled £253k (2023 - £221k). 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.

In June 2023 the High Court ruled in the case of Virgin Media Limited v NTL Pension Trustees. The ruling was that certain pension scheme rule amendments were invalid if they were not accompanied by the correct actuarial confirmation.

This High Court ruling was appealed. In a judgment delivered on 25 July 2024, the Court of Appeal unanimously upheld the decision of the High Court.

At the date of approval of these financial statements, while it is known there is potential for additional pension liabilities to be recognised as a result of this ruling, the impact in monetary terms is not known and it is reasonable to form the view that it cannot be reasonably estimated. Accordingly, no adjustments to reflect the impact of the ruling have been made in these financial statements.

The Trustees will continue to monitor the developments and consider the impact on the LGPS liabilities recognised by the Trust.

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	2.65 - 3.85	3.50 - 4.00
Rate of increase for pensions in payment/inflation	2.65 - 3.65	2.90 - 3.00
Discount rate for scheme liabilities	5.00 - 5.05	5.20 - 5.30

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27. Pension commitments (continued)

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

	2024 Years	2023 Years
Retiring today		
Males	19.6 - 21.0	19.7 - 21.1
Females	23.1 - 23.8	23.1 - 23.8
Retiring in 20 years		
Males	20.5 - 21.6	20.6 - 21.7
Females	24.7 - 25.3	24.6 - 25.3

Sensitivity analysis on defined benefit obligations

	2024 £000	2023 £000
Discount rate -0.1%	377	343
Mortality assumption - 1 year increase	694	636
CPI rate +0.1%	366	321
Salary increase rate +0.1%	19	29

Share of scheme assets

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

	2024 £000	2023 £000
Equities	12,216	11,503
Gilts	191	141
Corporate bonds	5,115	4,272
Property	2,503	2,166
Cash and other liquid assets	2,488	1,793
Total market value of assets	22,513	19,875

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

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

	2024	2023
	£000	£000
Current service cost	(731)	(947)
Interest income	1,057	827
Interest cost	(895)	(828)
Administrative expenses	(3)	(4)
Total amount recognised in the Statement of Financial Activities	(572)	(952)

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

	2024	2023
	£000	£000
At 1 September	16,940	19,298
Current service cost	731	947
Interest cost	895	828
Employee contributions	253	221
Actuarial losses/(gains)	180	(3,908)
Benefits paid	(446)	(446)
At 31 August	18,553	16,940

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

	2024	2023
	£000	£000
At 1 September	16,940	19,203
Interest income	1,057	827
Actuarial losses	(87)	(3,607)
Employer contributions	839	746
Employee contributions	253	221
Benefits paid	(446)	(446)
Admin expenses	(3)	(4)
At 31 August	18,553	16,940

As at 31 August 2024, there was a notional surplus of £3,960k which has not been recognised. Included in the current year actuarial gains/(losses) within the scheme assets table above is £1,025k (2023: £2,935k) of notional surplus not recognised.

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

NOTES TO THE FINANCIAL STATEMENTS
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28. Operating lease commitments

At 31 August 2024 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024	2023
	£000	£000
Land		
Within 1 year	65	-
Between 1 and 5 years	103	-
	<hr/>	<hr/>
Other	168	-
Within 1 year	50	65
Between 1 and 5 years	33	81
	<hr/>	<hr/>
	<u>251</u>	<u>146</u>

29. 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.

30. 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 Academies Financial 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 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.

31. 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 2024 the Academy Trust received £1,181k (2023 - £823k) and disbursed £1,247k (2023 - £948k) from the fund. An amount of £546k (2023 - £612k) is included in other creditors relating to undistributed funds that are repayable to the ESFA.