

Registration number: 08098007

THE ASCENT ACADEMIES' TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

The Ascent Academies' Trust

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The Ascent Academies' Trust

Reference and administrative details

Members	V Milnes Dame D Smith M Morris M Butler N Hurn OBE
Trustees (Directors)	C Morgan, CEO (Accounting Officer) N Hudspeth V Milnes P Watson OBE R Whorlton (resigned 19 October 2021) G Jobes K Stevens (nee Caswell) CM Green P Aitchison G Kirkbride K Lawton (resigned 2 November 2022) I Redford (resigned 7 September 2021)
Company Secretary	A Marshall
Senior Management Team	C Morgan, Chief Executive Officer (CEO) M Little, Chief Operating Officer (COO) R Hargreaves, Director of Academy Improvement (DoAI) (resigned 31 August 2022)
Principal and Registered Office	The Ascent Academies' Trust Portland Academy Weymouth Road Chapelgarth Sunderland SR3 2NQ
Company Name	The Ascent Academies' Trust
Company Registration Number	08098007
Auditors	Azets Audit Services Chartered Accountants & Statutory Auditor Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Bankers	Lloyds Bank PLC 102 Grey Street Newcastle upon Tyne NE1 6AG
Solicitors	Ward Hadaway 102 Quayside Newcastle upon Tyne NE1 3DX

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022

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

The Trust operates four special academies in the North East of England. Its academies, spanning three local authorities and across seven sites, had a combined pupil roll at the end of last year of 748 students. This is an overall increase of 10 pupils from last year, with academies expanding and growing in numbers to meet demand.

Structure, Governance and Management

Constitution

The Ascent Academies' Trust (the "Trust") was incorporated on 8 June 2012. It is a company limited by guarantee with no share capital (registration number 08098007) and an exempt charity under the Academies Act 2010. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The charitable company is known as The Ascent Academies' Trust.

The Trustees of the Trust are also the directors of the charitable company for the purposes of company law. Trustees of the charitable company are nominated by either the Secretary of State for Education or by the members. The Ascent Academies' Trust is a single trust multi-academy sponsor. In that capacity, it acts as one employer across all academies which it sponsors. The academies forming part of the Trust during the financial year were:

Ash Trees Academy - Bowes Road, Billingham, TS23 2BU

Ash Trees Academy – Rievaulx Avenue, Billingham, TS23 2BH

Barbara Priestman Academy - Meadowside, Sunderland, SR2 7QN

Barbara Priestman Academy 6th Form – Thornholme Road, Sunderland, SR2 7NA

Hope Wood Academy – Crawlway Road, Easington, SR8 3LP

Hope Wood Academy 6th Form – Edenhill Road, Peterlee, SR8 5DD

Portland Academy - Weymouth Road, Sunderland, SR3 2NQ

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Trustees' Indemnities

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

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business through the ESFA's Risk Protection Arrangement (RPA) scheme which provides cover up to £10,000,000.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed under the rules contained within the Trust's Memorandum and Articles of Association and membership of the Board of Trustees is in accordance with the structure contained within it. The number of Trustees and the appointments made are in line with the guidance in the Articles of Association.

The Trustees may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Chief Executive) who are employees of the Trust, does not exceed one third of the total number of Trustees. There was one staff Trustee who served throughout the period, this was the Chief Executive.

The Trustees make the necessary arrangements for and determine all matters relating to the election of Parent Trustees. Parent Trustees must be a parent or an individual exercising parental responsibility of a pupil at one of the academies at the time they were elected. There were two Parent Trustees who served throughout the period. One of these Parent Trustees resigned post year end, creating a Parent Trustee vacancy, which the Trust is in the process of recruiting to.

The Trustees may appoint co-opted Trustees. The Trustees may not co-opt an employee of the Trust as a co-opted Trustee if thereby the number of Trustees who are employees would exceed one third of the total number of Trustees.

The Secretary of State may appoint additional Trustees as they think fit if they have given a warning notice and the Trustees have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction, within the compliance period. The Secretary of State may also appoint additional Trustees following an inspection by the Chief Inspector of Schools (Ofsted) where the Trust receives a grading which amounts to a drop of two Ofsted grades.

Policies and Procedures Adopted for the Induction and Training of Trustees

All new Trustees are given an induction at the commencement of their post. The Trust performs a regular skills audit of Trustees and, when any gaps are identified, training courses are offered to address these issues. Statutory guidance is also adhered to and linked to relevant training in areas such as, for example, Prevent and Keeping Children Safe in Education.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The Board of Trustees continued to operate efficiently and effectively following the COVID-19 Pandemic. Meetings continued to largely be conducted online throughout the period, to maximise attendance, keep all concerned safe and to support wellbeing. The Board met frequently over the year, in addition to supplementary meetings of the Chairs and individual meeting with Trustees to challenge and support senior leaders.

The Chair and Vice Chair of the Board of Trustees remained unchanged throughout the academic year. There were no Trustee appointments during the year, however there was one appointment at the start of the new 2022/23 academic year, providing additional education and SEND expertise. An internal review and self-evaluation of skills and experience within the Board completed in the autumn term 2022, has identified the need to recruit additional Trustees from a business background to add further expertise to the Board. There were two Parent Trustees who served throughout the period, however one has recently resigned in November 22, creating a Parent Trustee vacancy, which is currently being advertised.

The Board is currently looking to expand numbers and fill all existing vacant Trustee positions, taking the total number of Trustees to fifteen, the maximum possible within the Articles of Association, during the 2022/23 academic year.

Organisational Structure

The Board of Trustees has overall responsibility, and is ultimately accountable, for all the academies within the Trust. It holds to account the Chief Executive Officer (CEO), the Chief Operating Officer (COO) and the Director of Academy Improvement (DoAI). Powers are delegated from the Board via a scheme of delegation and decision matrix which is reviewed annually by each of the Trust's committees and the Board.

The Trustees were responsible for strategic planning, setting general policy, adopting strategic and development plans, budget monitoring, making major decisions about the direction of the academies and the Trust and senior staffing appointments.

The Board of Trustees and Standards Committee were responsible for the setting and review of the curriculum, monitoring the standards and performance of each of the individual academies. The Standards Committee formally met four times during the year.

The Board of Trustees and the Finance, Audit, Risk and Resources Committee were responsible for monitoring, supporting, challenging and reviewing the financial sustainability of the Trust, financial management and control, the efficient and effective use of resources and effectively managing risk. The Finance, Audit, Risk and Resources Committee formally met seven times during the year.

A new clerk (governance professional) was appointed in June 2022 to further support the development of governance within the Trust.

During 2021/22, the Executive Leadership Team consisted of the CEO, COO and the DoAI. The team led and managed the Trust at an executive level, steering the direction of the academies in line with strategic plans and developing opportunities.

The Senior Leadership Teams were responsible for the day to day operation of each individual academy in addition to supporting the wider work and objectives of the Trust.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The remuneration of the key management personnel is determined by the Pay and Review Committee from which the CEO is excluded in relation to discussion of their remuneration. The committee is guided by a formal report and supported by an external HR partner ensuring that all available relevant information is considered including legislative obligations, teaching and support pay scales in relation to salaries and settlement levels, internal differentials, recruitment difficulties, the proposed costs and ability to pay.

Trade Union Facility Time

In 2021/22 there were no employees of the Trust who were also union representatives. Consequently, there is no data with regards to facility time and its associated costs to report.

Related Parties and Other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

Engagement with Employees

The Trust is committed to ensuring employees are as informed and as involved as possible in the operation and development of the MAT. The leadership and management teams within the Trust communicate regularly with staff to ensure all employees have the necessary information on all matters that may concern them. Employees are consulted regularly through a number of different avenues so the Trust can obtain views and opinions on activities, developments, decisions or changes that may affect them.

The Trust has ensured regular communication and engagement with employees so that following the pandemic, staff feel informed and supported.

Regular staff surveys throughout the year have been very productive in capturing staff thoughts, views and feelings, and have provided a mechanism for staff to engage and communicate with leadership, including anonymously if preferred. This has supported interaction with staff, particularly during challenging times following COVID.

The Trust values the views and involvement of all employees and ensures the appropriate engagement methods are used to maximise staff input.

Engagement with suppliers

The Board of Trustees behaves responsibly and ethically to ensure that leadership operate the business in a responsible manner, functioning within the high standards of conduct and good governance expected of a Multi Academy Trust. This is reflected in the values and ethical leadership model embedded within the Trust.

Trustees do not interact directly with suppliers, but do set the principles around the type of suppliers the Trust wants to be associated with. This includes locally based and locally focussed companies, organisations with good ethical values and principles and those companies that contribute to a sustainable future.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The Trust seeks to operate on a formal contract basis to ensure complete transparency for all parties around expectations, responsibilities and obligations. This enables the delivery of consistently good service together with the timing and amicable resolution of any issues arising. The Trust seeks to ensure that the achievement of value for money is also aligned closely to the values by which the Trust operates.

Trustees encouraged the positive engagement with suppliers throughout the COVID-19 pandemic and continue to do so to ensure support for the long-term survival and sustainability of service providers and local businesses. The Trust fulfilled all contractual obligations to suppliers throughout periods of school closures and the challenging times that followed and acted responsibly and ethically to support local businesses and suppliers.

All suppliers are paid in a timely fashion which is one of the key financial performance indicators Trustees review on a monthly basis.

Objectives and Activities

Mission Statement

Together we build brighter futures for young people with SEND.

Values

The Trust has a number of values and guiding principles to adhere to and steer its objectives and activities:

- We have high expectations of ourselves and our pupils and celebrate our achievements.
- We embrace difference, celebrate diversity and promote equality.
- We continually learn in order that we can respond to the needs of our young people and we continually improve through sharing and creating best practice models.
- We build impactful collaborations in our staff team across the Trust, with parents and with wider partnerships.
- We respect each person's distinctive contribution and develop their talents and work productively together.

The Strategic Plan 2020-23 sets out our aspirations for the period;

By 2023 all of our current academies will:

- Be confidently good or better and have developed aspects of exceptional provision and practice.
- Have adopted an ethical leadership model that supports all decision making in our Trust.
- Be increasingly sustainable within our buildings, behaviours, procurement and curriculum offer.
- Offer a dynamic, shared curriculum and assessment system that supports academic progress, emotional well-being and the development of independence and results in the best destinations for individuals.
- Be high performing and improving academies that continuously respond to the changing needs of their populations.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

- Have clearly benefited from partnership with one another to offer shared curriculum, leadership, staffing, facilities and resources.
- Have identified and secured positions for future leaders to gain experience.
- Continue to improve the well-being and attendance of its staff and students.
- Continue to have robust and effective financial management.
- Continue to respond to local need in SEND, growing the Trust in a considered and measured way

Objectives, Strategies and Activities

The Ascent Academies' Trust was founded with the aim of developing a vision and strategic plan for SEND in the North East. By collaboratively working together, sharing expertise and resources, the Trust has improved the curriculum and outcomes for pupils across the Trust.

In 2020 the Trust introduced its new 3-year Strategic Plan setting out aspirations for its young people.

This reflected the context of the pandemic, but was not constrained by it.

Achievements

Year 2 outcomes in line with our strategic plan

Outcomes for young people

- The delivery of high-quality intervention and tutoring for pupils with the most significant learning loss has secured positive outcomes in some academies.
- Due to a gradual move out of a bubble system, student well-being levels are shown to be back at pre-COVID levels (Impact Ed research 2021)
- The communication framework to support teachers and other support staff in the provision of a communication rich environment is increasingly well-embedded. Portland Academy achieved Bronze Makaton award in October 2022 recognising its personalised communication strategies for young people.
- The development of refined curriculum pathways to support learners at early developmental levels along with revised assessment systems is an ongoing piece of work to ensure that all colleagues have a secure understanding of the curriculum and assessment.
- There has been ongoing investment in leadership training and 7 senior leaders from across the Trust completed Liberating Leadership trainer status as well as 3 colleagues currently training in the delivery of motivational maps. This further embeds leadership behaviours that contribute to our culture of growth, improvement and high expectation.
- Talent conversations used to develop senior teams within the Trust and academies in terms of performance, succession planning and life-long learning are supporting the development of Heads and senior leaders, linking in with Liberating Leadership, Motivational maps and personal awareness through the Insights programme.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Public Benefit

The Trustees have complied with their duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

Strategic Report

Achievements and Performance

The Trust is built on strong collaborative working that enables students and staff to share resources, expertise and best practice. In order to strengthen improvement across the Trust it has a shared understanding of Self-evaluation outcomes and a numerical way to describe starting points for key priorities.

The Trust Executive Team (Trustees and CEO/COO) has focused on implementing a number of key strategic areas during the year. Despite the challenges of COVID the Trust has pushed forward in the development of:

- Support staff roles and training within the new career framework
- The recruitment of a number of new senior leaders within the Trust.
- Securing a safe, calm and purposeful move back in to 'normal teaching' and access to full curriculum.
- Supporting staff well-being and successful efforts to reduce staff absence rates.
- Development of a love of reading across the academies resulting in better engagement from students and increased skills for colleagues.

It is important to note that aspects of improvements and actions were disrupted through the COVID-19 outbreak (particularly during spring term closures). There were relatively high numbers of colleagues who were identified as being at a significant health risk (clinically extremely vulnerable). The focus on ensuring staff wellbeing and the quality of education provided meant a delay in achieving the goals set, but there is a clear focus on the original plan now.

Academy Specific Information

The following section provides high-level information and context on each academy. Detailed performance information can be found on the Trust's website.

Ash Trees Academy

Background

- Ash Trees is a primary special needs academy.
- Ash Trees became a sponsored academy and part of The Ascent Academies' Trust in November 2014.
- Number on roll: 172.
- Ash Trees Academy is situated in Billingham. It is the only primary special school in Stockton.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

- All pupils attending the academy have an Education Health and Care Plan.
- The academy is split over two sites and pupil numbers have been steadily increasing since joining the Trust in 2014.

The academy has continued working closely with Stockton Borough Council to develop capacity and increase the number of places on offer. This includes a nursery provision that
- was established in 2021 following the academy changing the age range to 3-11. Whilst the academy currently doesn't cater for any nursery age pupils, reception numbers have increased in September 2022.

As numbers continue to grow at Ash Trees we are working with the Local Authority to provide
- additional places for students to access a supported mainstream provision. We are currently working with two local primary schools to explore possible accommodation.

Most recent Ofsted judgement

An Ofsted inspection in September 2017 judged the academy to be soundly 'Good'. The COVID Pandemic significantly affected the academy and four terms of disruptions in pupil attendance and staffing have caused instability and led to less impactful practice in some areas. This was further compounded by several experienced staff leaving their post during the Spring and Summer terms of 2020. These issues are now being addressed with a fully committed leadership team who are driving forward a comprehensive but realistic Academy Improvement Plan. Large numbers of vacancies have been filled and a new, enthusiastic, middle leadership team is in place to continue to support ongoing developments. Ash Trees is imminently due another inspection and currently self-evaluate as being a 'Good' school in all areas.

Number of staff (full time equivalent)

Teachers – 22.6

Support staff – 42.5

Barbara Priestman Academy

Background

- Barbara Priestman became an academy in August 2012 as one of the founding academies of The Ascent Academies' Trust.
- Barbara Priestman is a secondary special needs academy for students aged 11-19 with ASD and complex needs.
- Barbara Priestman Academy is located in Sunderland.
- Numbers on roll: 178 and includes a 16-19 provision on a separate site.
- Pupils attending the academy all have an Education Health and Care Plan.
- Pupil numbers have steadily increased as local demand for ASD specialist provision has grown.

The academy continues to work closely with Together for Children and a neighbouring
- secondary academy in the operation of a satellite provision for the sixth form pupils. The sixth form centre is based on the Thornhill Academy site in Sunderland.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

2021/22 has been a positive year for Barbara Priestman, with many improvements and successes. Over the course of the year the SEF judgements maintained a strong 'Good' validated on quality assurance reviews and Challenge Partners External Visits. Progress has been evidenced through an improved staff well-being survey, student and family feedback and reduced behaviour and improved attendance despite the impact of COVID. The sixth form provision has continued to have a strong and positive impact on our students' preparation for adulthood. The academy was recognised as having an 'Area of Excellence' through Challenge Partners for its work as a Thinking School. The academy continued to develop the teaching environment and facilities across the school with improvements to learning spaces and the new purpose-built sensory room. Organisationally, there was a new Head and Deputy Head of Academy appointed from September 2022. The back to basics approach across the Ascent family has enabled cross school development of the curriculum to meet our students' education, therapeutic and pastoral needs.

Most recent Ofsted judgement

An Ofsted inspection in November 2018 confirmed and upheld the academy's 'Good' judgement.

Number of staff (full time equivalent)

Teachers – 23.6

Support staff – 42.1

Hope Wood Academy

Background

- The academy was sponsored by the Trust and joined Ascent in November 2015.
- Hope Wood caters for the full range of special educational needs for pupils aged 2-19 years.
 - The academy is situated across two sites – a provision for pupils aged 2yrs to 16yrs on the main site situated in Easington in County Durham and a second site housing the 6th form provision in the Edenhill area of Peterlee, three miles from the main site.
- Numbers on roll: 218 including a 16-19 provision.
- Pupils attending the academy all have an Education Health and Care Plan.
- Pupil numbers on roll have significantly increased since the academy was sponsored and brought into the Trust and they continue to rise.
 - There are ongoing discussions underway with Durham County Council regarding future growth and pupil numbers in the future, including exploring additional accommodation. A recent independent building capacity survey indicated the main site was significantly over capacity in most areas.
 - The satellite site (Edenhill), which opened in September 2020 for the 6th form, has provided a number of opportunities and improvements for the students' preparation for adulthood.
 - A mobile education service is currently being explored with Durham County Council to support the needs of young people who are unable to attend school on a long-term basis due to a range of complexity of needs.

There are some fantastic achievements to celebrate at Hope Wood. In the spring term the academy was recognised as 'Leading' in Leadership and Management and School Improvement Strategies during the Challenge Partners peer review process.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The academy's work on ensuring all pupils have a voice and understanding their rights and responsibilities has been acknowledged through two accreditations, revalidation of Investing in Children membership which has been consistent now for the last ten years and the school has now become a Gold member, as well as gaining Rights Respecting School Gold Award over the last twelve months.

In the summer term the academy was recognised for achievements in Eco Schools Award and Skills Builder Bronze award.

The leadership team has continued to invest significantly in site improvements and adaptations to make best possible use of the limited space available.

Work continues against The Better Health at Work Award Gold Award which demonstrates the commitment to health and wellbeing and positive culture embedded within Hope Wood Academy. The academy took the opportunity to engage in The Durham Resilience Project to develop an awareness of developing resilience across the school community. Leaders made a commitment to training all senior leaders as Mental Health First Aiders during the academic year.

Most recent Ofsted judgement

An Ofsted inspection in September 2018 judged the academy to be 'Good' overall with outstanding judgements for 'leadership and management' and 'behaviour and safety'.

Number of staff (full time equivalent)

Teachers – 28.5

Support staff – 67.2

Portland Academy

Background

- Portland became an academy in August 2012 as one of the founding academies of The Ascent Academies' Trust.
- Portland is a secondary special needs academy designated for students with severe and profound learning difficulties. A growing number of pupils also have an additional diagnosis of Autism.
- Portland is based in the south of Sunderland and the vast majority of pupils reside in Sunderland.
- Numbers on roll: 184 and includes a 16-19 provision.
- Pupils range in age from 11 to 19, with approximately one third of pupils in the 16-19 age group.
- Pupils attending the academy all have an Education Health and Care Plan.
- Pupil numbers have steadily increased over the past couple of years. Proposals regarding future growth and increase in capacity and pupil numbers in the future are underway. The academy commissioned places increased to 190 from September 2022.

During and following the pandemic the Academy have continued to ensure that staff and student wellbeing remains good and is high on the agenda.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

In April 2022 the Academy was awarded the Investors in People Gold Award. The following Awards were achieved in the academic year 2021/22: Bronze Eco Award, Rainbow Flag Award, Mental Health Charter Mark Bronze, maintained our Gold Active Sunderland School Award and School Games Mark Gold.

A leadership restructure that took place during the summer term has ensured the leadership structure of the academy was completed in October 2021. This added two Lead Practitioners to the structure ensuring that the Academy is fit for purpose and builds capacity in order to continue the improvement journey towards Outstanding.

There continued to be ongoing works to the building to enable additional learning spaces to be created following the increase in student numbers.

Most recent Ofsted judgement

The academy was inspected in November 2019 and was given a 'Good' overall judgement with Leadership and Management and Personal Development both rated outstanding.

Number of staff (full time equivalent)

Teachers – 26.7

Support staff – 49.4

Key Financial Performance Indicators

The key financial performance indicators of the Trust relate to the effectiveness of the use of funds for the benefit of the education of children and the progress that they make.

The Finance, Audit, Risk and Resources Committee developed robust financial plans and a strategy to ensure that the Trust is responsive to funding pressures and increasing costs over the Medium Term Financial Plan (MTFP). This is to ensure finances are managed effectively, monitored closely and spending is focused on our key aim of improving pupil progress. As part of the strategy, all academies are tasked with setting a minimum of a balanced budget and meet required savings targets. This is fundamental to the financial viability and sustainability of each academy. All of the academies within the Trust achieved balanced or surplus budget outturn positions at the end of 2021/22 (excluding agreed use of reserves), met the KPIs set in the strategic plan and also made a positive contribution to reserves.

The Finance, Audit, Risk and Resources Committee also used a suite of KPIs to monitor financial performance. These included a range of indicators to measure the Trust's financial position (i.e. budget, outturn, reserve level), financial performance (aged debtors, creditors, cash flow) and metrics to enable benchmarking (staff costs as a % of total costs, % of costs on supply staff, % of costs on premises). These KPIs are reported and reviewed each month by Trustees to demonstrate performance and identify any further areas for improvement.

The key non-financial performance indicators of the Trust relate to the achievements and performance of students within the individual academies. This information is reported to Trustees and a summary of the key performance indicators is reviewed on a regular basis.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Going Concern

The Trust has generated a strong operating surplus in the financial year of £186k (excluding depreciation and pension costs), which is after significant investment in-year in capital projects on essential building developments and improvements and accounting for the financial pressures around energy costs, inflation and staff pay awards. There has been an operating surplus each year for the last four financial years and a growing healthy reserve balance to provide stability going forward into uncertain times.

The Trust holds a strong balance sheet with net assets of £36,833k (excluding pension liability). Land and buildings, which are the Trust's largest assets, benefit from continued investment each year and are maintained to a good standard and condition. Exposure to unexpected repair costs has been significantly reduced and mitigated following capital investment over the last six years and therefore reduced the risks to reserve balances being called upon in the future. The Trust will continue to invest where appropriate and in line with strategic priorities and impact on pupils. All investment decisions will be assessed with due regards to affordability and long term sustainability and any use of reserve balances will be approved by Trustees.

The Trust's MTFP is positive, demonstrating the sustainability of each academy, whilst also holding comfortable reserve balances. Reserves are in excess of the Trust's reserve policy, representing 9.0% of annual pupil-led income, and provide adequate capacity and flexibility to deal with any future uncertainties or risks. The Trust focussed on pupil needs during 2021/22 and balanced the need to ensure stability going forward during such uncertain times.

Given the current balance sheet position, the strength of financial controls and future financial forecasting, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern can be found in the Statement of Accounting Policies.

Promoting the Success of the Company

The Trustees consider they have acted ethically and in good faith to promote the success of the Trust taking into account the needs of pupils, colleagues, Trustees, members and other stakeholders, including the Trust's wider community. In doing so they have taken into account the matters set out in s172(1)(a-f) of the Companies Act 2006 in the decisions taken during the year ended 31 August 2022.

The Board is mindful that the long-term success of the Trust is critically dependent on the way it works with a large number of stakeholders. The Trust is committed to engaging with all stakeholders to support the Trust's decision making. A robust governance framework is in place to ensure that stakeholder views are taken into account in Board discussions and decisions.

Material decisions taken by the Board in the year include approval of financial plans and strategies, growth and expansion, significant decisions regarding operations post-COVID, reviewing risk assessments to ensure the ongoing safety and wellbeing of all concerned and developing and updating the strategic plan.

The latest strategic plan sets out the objectives and success criteria for the Trust. This includes KPIs to measure success and to monitor and ensure continuous improvement, growth and development and sustainability over the long term.

The Trust continues to embed an ethical leadership framework throughout the organisation to foster strong relationships with all stakeholders.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The MAT depends on the trust and confidence of its stakeholders to operate successfully and sustainably in the long term. The Trust puts pupils' best interests first, invests in its employees, supports local suppliers and the communities in which it operates and strives for continuous improvement to improve the life of young people with SEND.

Financial Review

The majority of the Trust's income for the year of account is obtained from either the ESFA (Education and Skills Funding Agency) or Local Authorities as commissioners of pupil places, the use of which is restricted to particular purposes. This income is largely high needs funding, but also includes ESFA and DfE capital and revenue grants for specific purposes and projects.

During the year, following a robust application process, the Trust was successful in a bid for Condition Improvement Funding (CIF), together with DfE and SALIX loan funding for a capital investment project to replace the external windows and doors at Hope Wood Academy.

The Trust continued to receive additional funding during the year to support the pressures caused by the pandemic through the means of recovery premium. All the academies in the Trust received an allocation of recovery premium. All COVID-related funding received in-year was used to fund additional costs to support students through a recovery curriculum and is reported in line with pupil premium grant conditions.

All grants and funding received from the ESFA and Local Authorities during the year and the associated expenditure are shown as restricted funds in the statement of financial activities.

Expenditure within the year includes a large investment in capital spend, including building and resources. This represents 3% of overall incoming resources for the year (2020/21 10.3%). Two CIF projects were completed during the year and the Trust has made significant investment in facilities using both revenue and capital budgets. The capital investments are an essential part in continuing to ensure pupil safety, providing the best learning environment possible to support pupil outcomes and to proactively and effectively manage the assets of the Trust. The building estate developments and improvements reduce the risk of a potential future call on reserves for repairs and maintenance and enhance the facilities available for staff and students.

The individual academies received their GAG and other specific ESFA grant funding throughout the pandemic and during national school closures, in addition to SEND high needs funding from Local Authorities. There have been no long-lasting implications or implications from the reductions in some income streams during the lockdown and school closure period last year.

Pupil numbers on roll continue to rise and further support the sustainability of each academy.

During the year ended 31 August 2022 total expenditure of £18,115k (excluding gain on defined benefit pension scheme) was in excess of grant funding from the ESFA, commissioned place income from Local Authorities and other incoming resources. However, the excess of income over expenditure for the year (excluding inherited assets and liabilities, restricted fixed asset funds and before pension transfer) was £186k.

At 31 August 2022 the net book value of fixed assets was £36,956k. The assets were used exclusively for providing education and associated support to the pupils in the academies within the Trust.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The Trust has strong cash-flow and a healthy bank balance as at the 31st August 2022 of £2.627m. (2020/21 £1.606m). Debtor and creditor management is very effective with no significant trade debtor or creditor balances and no bad or doubtful debts at the year end. The Trust continues to make improvements in financial processes and procedures to maintain and improve cash balances.

Under accounting standard FRS 102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the restricted fund. This resulted in the pension fund showing a deficit of £1,437k which has been carried forward to 2022/23. It should be noted that this does not present a liquidity problem for the Trust. Contribution rates are regularly reviewed to reduce the pension deficit for future years. The pension fund surplus included in the accounts for 2021/22 is £14,073k.

Reserves Policy

The Finance, Audit, Risk and Resources Committee reviews reserve levels on a half-termly basis in line with the budget monitoring information and forecasts that are presented to Trustees. This regular review is in line with the reserves policy, uses the monthly financial reporting information including outturn forecasts and KPI data, and considers future commitments, risks and strategic priorities. At 31 August 2022 the value of reserves that were freely available to the Trust was £718k.

The Trust holds reserves to provide financial stability and to enable investment in line with the Trust's strategic plan and priorities. Given the ongoing financial pressures facing schools and academies, including uncertainties around inflation, grant funding, increase in staffing and utility costs and staff absence, the current reserves level is being maintained to provide the Trust with additional capacity and flexibility for the foreseeable future.

The Trust has a reserves policy which is reviewed annually by Trustees alongside budget outturn projections, medium term financial plans and cash flow forecasts. The policy specifies minimum reserve balances equivalent to 5% of annual pupil-led income. The Trust's current balances are in excess of the reserve policy and represent 9.0% of annual pupil-led income. Balances are reviewed every month in line with management accounts, projections and any investment plans.

Reserves are made up of restricted and unrestricted funds, however the total reserves balance is available for the general use and purpose of the Trust. There are no current commitments on the reserves balances held.

Reserve levels are one of the Trust's financial KPIs and are monitored closely. Any use of reserves requires approval from Trustees.

Investment Policy

The Trust has a Treasury Management Policy which is reviewed annually by Trustees. The Trust currently operates interest bearing bank accounts.

The only investment the Trust currently has is a £1 share capital in Ascent Extra Limited. This investment represents 100% of shares. Ascent Extra Limited was set up on 29 August 2014 and traded until 31st August 2018. The company has not traded throughout the 2021/22 period.

Other than the investment in the trading company above, the Trust does not have any funds invested at present.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Principal Risks and Uncertainties

The Trustees implemented a new risk management framework and associated processes during the period which significantly improved the Trust's ability to identify and mitigate risk as efficiently and effectively as possible. This included the purchase of new risk management software to enable more effective monitoring and reporting of risks throughout the organisation. Trustees have reviewed risk appetite and this has been agreed and approved for the nine risk themes/areas identified. The new framework and associated risk registers, policy and procedures have been in place since they were adopted in the Spring 2022.

The key risks facing the Trust are:

Capacity - following COVID, staffing capacity continues to be an ongoing risk, providing challenges and uncertainty. Whilst COVID absence levels slowly fall, staffing absence levels are still high, including COVID-related absence and other sickness/illness. We continue to support staff regarding illness and wellbeing and manage absence on a day-to-day basis. Our biggest challenge is regarding leadership capacity, of which to manage this effectively with as little impact as possible, leaders have had to support other academies in addition to their own role. Despite our best efforts, through the period, some classes and key stages have had to be closed at times due to insufficient staffing to operate a safe provision. This risk is a key focus of Trustees and senior leaders.

Finances and budgets – the significant rise in costs due to inflation is putting a massive strain on budgets. Rising energy prices, unpredictable staffing pay awards, contract cost increases and general inflation and cost of living increases are crippling schools finances. We are working closely with commissioners to secure additional funding and micro-managing finances to understand the constantly changing financial pressures. The Trust has specifically maintained healthy reserve balances to provide capacity and flexibility to manage such pressures over time. Whilst finances are reviewed half termly by Trustees, given the current level of risk, financial modelling and forecasting is shared with Trustees on a monthly basis at present.

Cyber-attacks continue to impact the education sector. The potential disruption to our network, preventing both onsite and remote access, would be crippling to the Trust if any attacks were successful. Cyber security is a priority and we take a very proactive approach to keeping our IT network safe, and our data security is a key priority.

Accommodation and physical space in most of our academy buildings is very challenging and an increased pressure. There is a future risk that we may not be able to accommodate all pupils. As numbers increase as the demand for special school places continues to rise, we need to be constantly planning for the next stage of growth and secure additional space. We already operate three out of four academies over two separate sites and are planning further growth and satellite provisions. Additional sites bring additional costs and risk and further stretch existing resources. We undertake full due diligence on all new developments and manage associated risks through existing processes.

Staff recruitment has been a growing risk. This provides uncertainty for the future and a risk to academies having the necessary staffing levels. We have seen this at times during the year. Regionally and nationally, following the pandemic, recruitment is becoming very challenging, from a general shortage in available personnel, to trying to attract people to the sector. Academies have a number of vacant posts and the availability of supply staff has dramatically reduced. The Trust is actively taking steps to promote the opportunities and benefits Ascent has to offer and we are developing a new people strategy, including recruitment, to address this challenge.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

All key areas of focus are being strictly monitored, reviewed and managed continuously by the Trust to understand the financial implications and enable action to be taken to address them, if and when necessary. The strategic risks, future opportunities, uncertainties and challenges are reviewed by Trustees annually and monitored termly throughout the year through the committees.

In addition, the Trust is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant liability on the Trust's balance sheet. The Trust recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, the Trust considers that, as each individual academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised. Also, Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

Fundraising

The Trust and its academies ensure fundraising conforms to standards set out by the Charity Commission and there have been no complaints received this year in respect of any fundraising activity or how the proceeds of such are used.

The Trust and its academies do not employ or use any third party or private company to raise funds and do not place undue pressure to donate on individuals, groups or other donators.

Disabled Employees

The Trust agreed and published its Equality Statement and Objectives in order to discharge its responsibilities under the Equality Act 2010 and to meet the Public Sector Equality Duty. This sets out the Trust's commitment to ban unfair treatment and achieve equal opportunities in the classroom, the workplace, in wider society and to embed equality considerations in day to day practice.

The duty to have 'due regard' to equality considerations means that whenever significant decisions are being made or policies developed, thought will be given to the equality implications. Our policy sets out that as an employer, 'the Trust will not discriminate against a potential employee in respect of whether to offer a job or the terms on which a position is offered and must not discriminate against an existing employee in respect of the benefits, facilities and services offered to employees, including training opportunities, promotion or dismissal'.

All academies are required to prepare and publish specific and measurable objectives to demonstrate how the Trust's Equality Objectives are being met. This includes the objective to continue to address workforce-based equality issues by conforming to agreed Human Resource procedures on appointments, promotions and other employment issues, whilst always appointing the best.

As a Trust we ensure that our recruitment process is fully inclusive and accessible. We display our Disability Confident badge to ensure potential applicants know that we are an inclusive employer. We ensure that there are reasonable adjustments in the workplace where a disabled person would otherwise be put at a substantial disadvantage compared with other colleagues. Our Disability Confident accreditation requires the Trust as an employer to commit to offering disabled people one of nine activities. At present, we have committed to three areas: work experience, paid employment and apprenticeships.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

We continue to employ several former students in posts within our academies in a variety of roles. In addition, we had increased the number of apprenticeship opportunities, of which some are being undertaken by former students.

Streamlined Energy and Carbon Reporting

	2021/22	2020/21 (for comparison)
UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022		
Energy consumption used to calculate emissions (kWh)	2,636,569	2,695,810
Energy consumption break down (kWh) (optional)		
• gas,	2,052,636	2,166,991
• electricity,	554,059	520,966
• transport fuel	29,874	7,853
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	374.69	396.91
Owned transport – mini-buses	7.20	1.86
Total scope 1	381.89	398.77
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	116.95	120.41
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	6.75	2.64
Total gross emissions in metric tonnes CO ₂ e	505.59	521.82
Intensity ratio		
Tonnes CO ₂ e per pupil (748)	0.68	0.71

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting published by BEIS.

Intensity measurement:

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

The Trust has taken the following measures to improve energy efficiency:

- Continued the use of online meetings through the use of Microsoft Teams to reduce the need for travel between sites
- An increased number of staff that can work at home now do so for a proportion of their time
- The majority of staff training is accessed on line, reducing travel to training venues, locally and nationally
- New internal doors continue to be installed within Ash Trees and Hope Wood Academies, increasing thermal efficiency
- The replacement and recovering of the roof at Barbara Priestman Academy, including additional installation has now been signed off as completed
- Building Management Systems continue to be used effectively to improve the control of the heating
- Hope Wood Academy was successful with a Condition Improvement Fund (CIF) bid for funding to replace all windows and doors. This will significantly improve energy efficiency at the academy and utility usage
- Further CIF bids are being submitted for the next round of funding which will have energy efficiency benefits if successful including heating improvements at Ash Trees and a new roof for the second site at Ash Trees
- Over the last few years all academies have had replacement lighting and all buildings now have LED lights throughout. Three buildings have had new roofs, including additional insulation and all academies have had new boilers and heating systems. The Trust continues to invest in energy efficiency works and projects
- As part of the independence curriculum and training with students, more of our young people are making their way independently to school, using public transport, cycling or walking, thus reducing the need for taxis and escorted home to school transport

Plans for Future Periods

The Trust exists 'to build brighter futures for young people with SEND'. In expanding the SEND provision on offer to local young people, the Trust is working with a number of partners to develop new ventures and opportunities including potentially new satellite sites in mainstream schools in Stockton for Ash Trees Academy that have been delayed during the pandemic. The Trust continues to work with Durham and Sunderland LA to explore the options around additional accommodation for the growing demand for SEND placements.

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

The Trust looks forward to further developments and potential opportunities that may come with growth. We plan to continue to work closely with the DfE and the Regional Commissioner to support and sponsor other schools and academies in the future in line with the Trust's vision. The Government's aspirations of 'every school part of a strong Trust' gives us food for thought in how we might position ourselves in terms of readiness for more schools or academies potentially looking to join our Trust.

We continue to communicate positively with potential partners and potential new academies who may wish to join our Trust or engage with us in re-thinking a wider network of special academies.

Next steps - Strategic Developments for 2022/23

1. To build on the relationships with parents and families built up during the pandemic and develop a strategy to engage parents as true partners in their child's education, to engage parents as co-producers of provision and to develop parents' roles in holding us to account.
2. To review our Trust curriculum to ensure that it is clearly articulated, with clear key learning points and entry and exit points.
3. To develop a mental health and well-being strategy across the Trust to support students and colleagues.
4. To replace traditional performance management with our Growing Great People policy.

We are developing wider networks both regionally and nationally which is helping to get our Trust more widely known, contributing to income generation and enabling us to have a voice in championing the needs of SEND. This is being supported by plans to develop the public face of Ascent and what we do. We lead a regional network of special schools through our Challenge Partner North East Special School Hub. This also gives us access to a network of 142 schools nationally. We are active leaders in The Federation of Leaders in Special Education (FLSE), which has a place on the SEND forum. We are also active members of Schools North East and National Network of Special Schools (NNoSS).

Auditor

Insofar as the trustees are aware:

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

The Ascent Academies' Trust

Trustees Report for the Year Ended 31 August 2022 (continued)

Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees report, incorporating a Strategic Report, was approved and authorised for issue by order of the members of the Governing Body on 6 December 2022 and signed on its behalf by:

C Morgan

.....
Carolyn Morgan 19 Dec 2022 12:02:34 GMT (UTC +0)

C Morgan
Trustee

P Watson

.....
Patricia Lynn Watson 19 Dec 2022 14:37:14 GMT (UTC +0)

P Watson OBE
Trustee

The Ascent Academies' Trust

Governance statement

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer (CEO), Mrs C Morgan, 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 the Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The whole Board of Trustees has formally met six times during the year ended 31 August 2022. There were seven meetings of the Finance, Audit, Risk and Resources Committee and four meetings of the Standards Committee. The Pay and Review Committee continued to meet on an annual basis. Trustees' attendance at meetings during the year was as follows:

Trustee Name	Board of Trustees	Finance, Audit, Risk and Resources Committee	Standards Committee	Pay and Review Committee
P L Watson OBE (Chair of Trustees)	5/6		2/4	1/1
G Jobs (Vice Chair of Trustees) (Vice Chair of Finance, Audit, Risk and Resources Committee) (Chair of Standards Committee)	4/6	5/7	4/4	
K Stevens (Chair of Finance, Audit, Risk and Resources Committee)	6/6	7/7		1/1
C Morgan (CEO)	5/6	6/7	4/4	1/1
P Aitchison	5/6	4/7		
C Green	4/6		3/4	1/1
N Hudspeth	5/6	6/7		
G Kirkbride	4/6	2/7		
K Lawton (resigned 2 nd November 2022)	4/6	4/7		
V Milnes	4/6	4/7	3/4	
I Redford (Resignation date 7 th September 2021)	0/0		0/0	
R Whorlton (Resignation date 19 th October 2021)	0/0	0/0		

The Ascent Academies' Trust

Governance statement (continued)

Trustees continued to conduct the majority of meetings virtually during the year, following the pandemic and effects of COVID. The Board of Trustees were flexible and adapted meetings and decision making to ensure compliance and that governance continued to be robust. Virtual meetings maximised attendance and involvement from Trustees, continuing business operations, while keeping everyone safe. The Board continued to be responsive, including challenging and supportive, particularly around risk assessments for academy operations with regards to COVID and the well-being of all staff and pupils.

Link Trustees work closely with academies and senior leaders to provide support and challenge within their key areas of responsibility.

The year-end membership of the Board of Trustees consisted of ten Trustees. However, a further resignation was received between the year end and the Annual General Meeting (AGM). The Articles of Association for the company limit the maximum number to fifteen so as of September 2022 there were five potential vacancies if deemed required, 6 including the recent resignation. The process to recruit further Trustees to these vacant posts is underway. The Board has recently carried out an informal review of governance and has identified areas to contribute to a formal action plan for governance for the 2022/2023 academic year.

The performance of the Board and its effectiveness is assessed based on attendance levels, challenge given and impact. This can be demonstrated from registers, notes and minutes from meetings and in particular the outcome and comments from the Ofsted inspections which have previously judged Leadership and Management including Governance as Outstanding. The information provided to Trustees is regularly reviewed to ensure it is fit for purpose, accurate and effective. Data provided is challenged and externally reviewed as part of robust quality assurance and validation processes that are in place. The Board is constantly reviewing the effectiveness of meetings and, as a result, changes have been implemented in the format of the minutes to clearly identify areas of Trustee support and challenge and to highlight decisions made and impact for each meeting. Action logs are in place to ensure all agreed actions are complete and recorded. Agenda planning has been a key area of development and improvement over the period, with the format of the agenda document now consistent across meetings. Feedback from Committee Chairs continues to be a standing agenda item at each Board of Trustee meeting to ensure Trustees are fully aware of the content of Committee meetings, in-line with the delegated functions. The chairs of the board and two committees meet termly to discuss key strategic areas and plan with the CEO and COO.

Conflicts of interest

The Trust maintains an up-to-date and complete register of the business and pecuniary interests of all Members, Trustees, Senior Leaders and the Central Services team. The information regarding Members and Trustees is published on the Ascent website. This information is used to ensure there are no conflicts of interest regarding any contractual arrangements or relationships with related parties. The information has been collated in a register and is reviewed as part of the Trust assurance processes and robust governance arrangements.

In addition, all Board and Committee meetings include a declaration from Trustees to ensure there is no conflict of interest with any agenda items. Any conflicts of interest are managed appropriately and transparently, including seeking any necessary approvals regarding potential related party transactions and reporting such transactions to the relevant body and in the Annual Financial Statements.

Business interest forms are updated annually, however any changes during the year are declared and notified to the Trust's Governance Professional. Business interests, including any personal or pecuniary interests, are checked and audited annually, including references and checks to other data sources, including Companies House.

The Ascent Academies' Trust

Governance statement (continued)

The Trust tries to avoid any related party transactions. However, if and when they may occur, any conflict of interest is managed openly and transparently.

Review of Value for Money

As Accounting Officer, the Chief Executive had responsibility for ensuring that the Trust delivered good value in the use of public resources during the period. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the tax payers' resources received.

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

The Accounting Officer for the Trust has delivered value for money during the year by:

- Challenging academies to ensure resources align with objectives and improvement plans;
- Ensuring academies are sustainable and operate within the resources and funding available;
- Reviewing benchmarking data to inform budget setting and spending decisions;
- Continuously reviewing contracts, services and subscriptions across all academies to ensure best value;
- Ensuring all core business and support functions are undertaken and provided by a central trust team, avoiding duplication in academies and ensuring a consistent and efficient service to academies;
- Ensuring Trust procurement of IT services and equipment maximise purchasing power and economies of scale;
- Using external consultants to support large scale capital developments and multiple projects running alongside each other, maximising resources and using the appropriate expertise as and when required;
- Sharing assets across the Trust to ensure more efficient use of resources, saving money and giving maximum return to the Trust;
- Using external experts to assist in securing external funding;
- Sharing staffing resources and appointing specific posts to work across the Trust rather than in individual academies, increasing capacity and expertise;
- Maximising funding opportunities and income generation during the year;
- Challenging commissioners to ensure the appropriate level of funding is provided to meet pupil need;
- Working with partners and wider networks to share best practice and support each other

The Trust has a clear and continual focus on securing best value for money and maximising the use of the academies' resources. Robust monitoring and reporting processes to Trustees are in place to monitor value for money and impact.

The Ascent Academies' Trust

Governance statement (continued)

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 Ascent 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 Trust for the period from 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Ascent 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 Trust's significant risks that has been in place for the period ending 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance, Audit, Risk and Resources 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 guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and appointed RSM Risk Assurance Services LLP for the year ending 31st August 2022 to provide a programme of internal audit assignments. An internal audit work plan was agreed by Trustees for the year, based on the Trust's assurance framework and priorities for coverage informed by the Trust's risk register. The plan included a process to report back to the Finance, Audit, Risk and Resources Committee following the completion of each assignment. The schedule of work and assignments undertaken for the period covered areas and risks in relation to:

- Estates Management
- IT Mobile Device Management
- Key Financial Controls
- Staff Health and Well-Being
- Follow up on previous Internal Audit Actions

The Ascent Academies' Trust

Governance statement (continued)

From the internal audits completed during the year, there are no significant or material control issues to report. There are a number of recommendations included in an action plan, which the Trust is adopting and implementing, which will be reviewed for completeness during the 2022/23 academic year.

Following the actions highlighted in the Risk Management internal audit during 2021/22, a new Risk Management strategy was developed to ensure a robust and effective risk management system was in operation. The new strategy included a revised risk management framework, policy and the adoption of a robust risk portal. This was implemented during the period and continues to be embedded across the Trust to enable risks to be strictly and effectively monitored, reviewed and managed continuously by the Trust.

Trustees agreed and approved the Trust's risk appetite during the year, providing a clear measure against which key Trust decisions can be assessed. This risk appetite has been effectively used as a key factor in managing risk and determining actions as part of the risk management framework and reporting process.

The Trust continues to strengthen risk management across the MAT through implementing and embedding the new risk strategy, individual academy and service risk registers and the wider use of the new 4Risk portal.

Risk management is a core focus for Trustees and at the centre of planning and decision making. Following a recent internal governance review by Trustees, the decision has been made to create a new committee during 2022/23 to focus solely on Audit, Risk and Assurance, to ensure risk and the control framework for the Trust is as robust and effective as possible.

Review of Effectiveness

As Accounting Officer, the Chief Executive has had 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 Finance, Audit, Risk and Resources Committee;
- the checks performed by the internal auditor;
- the work of the external auditor; and
- the work of the Executive Leaders within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit, Risk and Resources Committee and a plan to ensure continuous improvement of the system is in place.

Approved and authorised for issue by order of the members of the Governing Body on 6 December 2022 and signed on its behalf by:

C Morgan

Carolyn Morgan 19 Dec 2022 12:02:34 GMT (UTC +0)

.....
C Morgan
Trustee

P Watson

Patricia Lynn Watson 19 Dec 2022 14:37:14 GMT (UTC +0)

.....
P Watson OBE
Trustee

The Ascent Academies' Trust

Statement of regularity, propriety and compliance

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

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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

C Morgan

Carolyn Morgan 19 Dec 2022 12:02:34 GMT (UTC +0)

C Morgan, CEO
Accounting Officer

6 December 2022

The Ascent Academies' Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with the Academies Accounts Direction published by the Education 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 and authorised for issue by order of the members of the Board on 6 December 2022 and signed on its behalf by:

C Morgan

Carolyn Morgan 19 Dec 2022 12:02:34 GMT (UTC +0)

C Morgan
Trustee

P Watson

Patricia Lynn Watson 19 Dec 2022 14:37:14 GMT (UTC +0)

P Watson OBE
Trustee

The Ascent Academies' Trust

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

Opinion

We have audited the financial statements of The Ascent Academies' Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the (including Income and Expenditure Account), Balance Sheet, 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2022 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 the Academies Accounts Direction 2021 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

The Ascent Academies' Trust

Independent Auditor's Report on the Financial Statements to the Members of The Ascent Academies' Trust (continued)

Other information (covers the Reference and administrative details, the Trustees Report and the Governance statement)

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 28], the trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

The Ascent Academies' Trust

Independent Auditor's Report on the Financial Statements to the Members of The Ascent Academies' Trust (continued)

Auditor 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 these financial statements.

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

- enquiries of management and those charged with governance around any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- reading correspondence with regulators including the OFSTED; and
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reviewing financial statement disclosures and testing to support documentation.

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

The Ascent Academies' Trust

Independent Auditor's Report on the Financial Statements to the Members of The Ascent Academies' Trust (continued)

Use of our report

This report is made solely to the Academy's trustees, 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's trustees 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 and its trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Brian Laidlaw 20 Dec 2022 13:09:04 GMT (UTC +0)

Brian Laidlaw BA CA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Statutory Auditor

Chartered Accountants

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

The Ascent Academies' Trust

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

In accordance with the terms of our engagement letter dated 30 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Ascent Academies' Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 August 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;

The Ascent Academies' Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Ascent Academies' Trust and the Education and Skills Funding Agency (continued)

- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

Conclusion

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

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

Azets Audit Services

Brian Laidlaw 20 Dec 2022 13:09:04 GMT (UTC +0)

.....
Azets Audit Services
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

The Ascent Academies' Trust

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Donations and capital grants	2	83	-	232	315
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	101	15,464	-	15,565
Other trading activities	4	43	-	-	43
Total		<u>227</u>	<u>15,464</u>	<u>232</u>	<u>15,923</u>
Expenditure on:					
Raising funds	5	207	-	-	207
<i>Charitable activities:</i>					
Academy trust educational operations	6	21	16,912	975	17,908
Total		<u>228</u>	<u>16,912</u>	<u>975</u>	<u>18,115</u>
Net expenditure		(1)	(1,448)	(743)	(2,192)
Transfers between funds		-	(458)	458	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	26	-	16,165	-	16,165
Net movement in (deficit)/funds		(1)	14,259	(285)	13,973
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		<u>719</u>	<u>(15,082)</u>	<u>37,223</u>	<u>22,860</u>
Total funds/(deficit) carried forward at 31 August 2022		<u><u>718</u></u>	<u><u>(823)</u></u>	<u><u>36,938</u></u>	<u><u>36,833</u></u>

The Ascent Academies' Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
Income and endowments from:					
Donations and capital grants	2	72	-	696	768
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	91	14,387	-	14,478
Other trading activities	4	36	-	-	36
Total		<u>199</u>	<u>14,387</u>	<u>696</u>	<u>15,282</u>
Expenditure on:					
Raising funds	5	184	-	-	184
<i>Charitable activities:</i>					
Academy trust educational operations	6	3	15,456	933	16,392
Total		<u>187</u>	<u>15,456</u>	<u>933</u>	<u>16,576</u>
Net income/(expenditure)		12	(1,069)	(237)	(1,294)
Transfers between funds		-	(591)	591	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	26	-	(202)	-	(202)
Net movement in funds/(deficit)		12	(1,862)	354	(1,496)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		<u>707</u>	<u>(13,220)</u>	<u>36,869</u>	<u>24,356</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>719</u></u>	<u><u>(15,082)</u></u>	<u><u>37,223</u></u>	<u><u>22,860</u></u>

The Ascent Academies' Trust

(Registration number: 08098007) Balance Sheet

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	11	36,956	37,408
Current assets			
Stocks	13	10	13
Debtors	14	595	694
Cash at bank and in hand		2,627	1,606
		<u>3,232</u>	<u>2,313</u>
Creditors: Amounts falling due within one year	15	<u>(1,687)</u>	<u>(1,123)</u>
Net current assets		<u>1,545</u>	<u>1,190</u>
Total assets less current liabilities		38,501	38,598
Creditors: Amounts falling due after more than one year	16	<u>(231)</u>	<u>(228)</u>
Net assets excluding pension liability		38,270	38,370
Pension scheme liability	26	<u>(1,437)</u>	<u>(15,510)</u>
Net assets including pension liability		<u>36,833</u>	<u>22,860</u>
Funds of the Academy:			
Restricted funds			
Restricted income fund	17	614	428
Restricted fixed asset fund	17	36,938	37,223
Pension reserve	17	<u>(1,437)</u>	<u>(15,510)</u>
		36,115	22,141
Unrestricted funds			
Unrestricted income fund	17	<u>718</u>	<u>719</u>
Total funds		<u>36,833</u>	<u>22,860</u>

The financial statements on pages 35 to 70 were approved and authorised for issue by the trustees, on 6 December 2022 and signed on their behalf by:

C Morgan

Carolyn Morgan 19 Dec 2022 12:02:34 GMT (UTC +0)

C Morgan
Trustee

P Watson

Patricia Lynn Watson 19 Dec 2022 14:37:14 GMT (UTC +0)

P Watson OBE
Trustee

The Ascent Academies' Trust

Statement of Cash Flows

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	20	1,300	1,498
Cash flows from investing activities			
	22	(291)	(1,502)
Cash flows from financing activities			
	21	<u>12</u>	<u>46</u>
Change in cash and cash equivalents in the year		1,021	42
Cash and cash equivalents at 1 September		<u>1,606</u>	<u>1,564</u>
Cash and cash equivalents at 31 August	23	<u><u>2,627</u></u>	<u><u>1,606</u></u>

The Ascent Academies' Trust

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

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are prepared in sterling which is the functional currency of the entity.

Going concern

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

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 period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Investment income

Interest receivable is included in the statement of financial activities on an accruals basis.

Donated goods, facilities and services

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

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

Donated fixed assets

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

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.

All resources expended are inclusive of irrecoverable VAT.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

Tangible fixed assets

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Leasehold property	10 - 50 years straight line
Plant and equipment	3 years straight line
Motor vehicles	5 years straight line
Furniture and equipment	10 years straight line
Computer equipment	3 years straight line

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

Provisions

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

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

Leased assets

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

Investments

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Stock

Stationery and other classroom resources are valued at the lower of cost or net realisable value.

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.

Pension benefits

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

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

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

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Education and Skills Funding Agency and Department for Education.

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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £975,000 (2021 - £933,000).

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessing indicator of impairment

In assessing whether there have been any indicators of impairment of assets the trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 28.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Educational trips and visits	15	-	-	15	1
Capital grants	-	-	232	232	186
Other donations	68	-	-	68	71
Donated fixed assets	-	-	-	-	510
	<u>83</u>	<u>-</u>	<u>232</u>	<u>315</u>	<u>768</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>72</u>	<u>-</u>	<u>696</u>	<u>768</u>	

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
DfE/ESFA revenue grants					
General Annual Grant GAG	-	7,160	-	7,160	7,000
Other ESFA Group grants	-	923	-	923	858
	<u>-</u>	<u>8,083</u>	<u>-</u>	<u>8,083</u>	<u>7,858</u>
Other government grants					
Local authority grants	-	7,244	-	7,244	6,289
Other Government grants	-	39	-	39	68
	<u>-</u>	<u>7,283</u>	<u>-</u>	<u>7,283</u>	<u>6,357</u>
COVID-19 additional funding (non-DfE/ESFA)					
Other Coronavirus funding	-	98	-	98	172
	<u>-</u>	<u>98</u>	<u>-</u>	<u>98</u>	<u>172</u>
Non-government grants and other income					
Other income from the academy trusts educational operations	101	-	-	101	91
Total grants	<u>101</u>	<u>15,464</u>	<u>-</u>	<u>15,565</u>	<u>14,478</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>91</u>	<u>14,387</u>	<u>-</u>	<u>14,478</u>	

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations (continued)

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding."

	2022 £ 000	2021 £ 000
Other DfE/ESFA Grants		
Student Support Services (per statement) (also known as Academy Post 16 Bursary Funding)	46	36
Pupil Premium and Service Premium	420	407
Other	116	89
Teachers' Pay Grant	341	326
	<u>923</u>	<u>858</u>

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Other sales	<u>43</u>	<u>-</u>	<u>-</u>	<u>43</u>	<u>36</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>36</u>	<u>-</u>	<u>-</u>	<u>36</u>	

5 Expenditure

	Non Pay Expenditure			2022/21 Total £ 000	2021/20 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Expenditure on raising funds					
Direct costs	207	-	-	207	184
Academy's educational operations					
Direct costs	10,832	831	481	12,144	11,581
Allocated support costs	<u>3,796</u>	<u>844</u>	<u>1,124</u>	<u>5,764</u>	<u>4,811</u>
	<u>14,835</u>	<u>1,675</u>	<u>1,605</u>	<u>18,115</u>	<u>16,576</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

5 Expenditure (continued)

	Non Pay Expenditure			Total 2021 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000	
Total 2021	<u>13,732</u>	<u>1,525</u>	<u>1,319</u>	<u>16,576</u>

Net income/(expenditure) for the year includes:

	2022 £ 000	2021 £ 000
Operating lease rentals	-	1
Depreciation	975	933
Fees payable to auditor - audit	7	7
Fees payable to auditor - other audit services	<u>2</u>	<u>2</u>

6 Charitable activities

	2022 £ 000	2021 £ 000	
Direct costs - educational operations	12,144	11,581	
Support costs - educational operations	<u>5,764</u>	<u>4,811</u>	
	<u>17,908</u>	<u>16,392</u>	
	Educational operations £ 000	Total 2022 £ 000	Total 2021 £ 000

Analysis of support costs

Support staff costs	3,796	3,796	3,127
Depreciation	144	144	120
Technology costs	124	124	124
Premises costs	700	700	592
Legal costs	117	117	78
Other support costs	861	861	748
Governance costs	<u>22</u>	<u>22</u>	<u>22</u>
Total support costs	<u>5,764</u>	<u>5,764</u>	<u>4,811</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff

Staff costs

	2022 £ 000	2021 £ 000
Staff costs during the year were:		
Wages and salaries	9,553	9,182
Social security costs	897	809
Operating costs of defined benefit pension schemes	3,662	3,276
	<u>14,112</u>	<u>13,267</u>
Supply staff costs	706	465
Staff restructuring costs	17	-
	<u>14,835</u>	<u>13,732</u>
	2022 £ 000	2021 £ 000

Staff restructuring costs comprise:

Redundancy payments	<u>17</u>	<u>-</u>
---------------------	-----------	----------

Severance payments

The Academy trust paid 2 severance payments in the year disclosed in the following bands:

	2022/21 £ 000	2021/20 £ 000
0 - £25,000	<u>2</u>	<u>-</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £4,914 (2021: £Nil). Individually, the payments were:

Non-statutory payments £2,489

Non-statutory payments £2,425

Staff numbers

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

	2022 No.	2021 No.
Charitable Activities		
Teachers	93	89
Administration and support	280	280
Management	15	16
	<u>388</u>	<u>385</u>

Higher paid staff

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff (continued)

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

	2022	2021
	No.	No.
£60,001 - £70,000	4	3
£70,001 - £80,000	1	3
£80,001 - £90,000	2	1
£90,001 - £100,000	1	1
£110,001 - £120,000	<u>1</u>	<u>1</u>

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) received by key management personnel for their services to the academy trust was £401,434 (2021 - £395,387).

8 Central services

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

- Human resources;
- Education and support services;
- Financial services;
- Governance services;
- Assets and estates services;
- Health and safety services;
- IT and digital media services;
- Leadership;
- All other central Trust costs and overheads

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

8 Central services (continued)

The academy trust charges for these services on the following basis:

Each academy pays the Trust 6.50% (2021: 6.50%) of pupil led income to fund central services.

	2022	2021
	£ 000	£ 000
Portland Academy	221	201
Babara Priestman	195	185
Ash Trees Academy	193	178
Hope Wood Academy	277	250
	<u>886</u>	<u>814</u>

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from 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, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

C Morgan (CEO):

Remuneration: £115,000 - £120,000 (2021 - £110,000 - £115,000)

Employer's pension contributions: £25,000 - £30,000 (2021 - £25,000 - £30,000)

Other related party transactions involving the trustees are set out in note 27.

10 Trustees' and officers' insurance

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

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Plant and equipment £ 000	Total £ 000
Cost						
At 1 September 2021	42,827	511	111	622	57	44,128
Additions	<u>241</u>	<u>151</u>	<u>-</u>	<u>118</u>	<u>13</u>	<u>523</u>
At 31 August 2022	<u>43,068</u>	<u>662</u>	<u>111</u>	<u>740</u>	<u>70</u>	<u>44,651</u>
Depreciation						
At 1 September 2021	5,813	311	111	443	42	6,720
Charge for the year	<u>831</u>	<u>44</u>	<u>-</u>	<u>97</u>	<u>3</u>	<u>975</u>
At 31 August 2022	<u>6,644</u>	<u>355</u>	<u>111</u>	<u>540</u>	<u>45</u>	<u>7,695</u>
Net book value						
At 31 August 2022	<u>36,424</u>	<u>307</u>	<u>-</u>	<u>200</u>	<u>25</u>	<u>36,956</u>
At 31 August 2021	<u>37,014</u>	<u>200</u>	<u>-</u>	<u>179</u>	<u>15</u>	<u>37,408</u>

12 Investments

The Academy Trust owns 100% of the Ordinary shares of Ascent Extra Limited, a company incorporated in England & Wales. The principal activity of the company is that of a dormant company. Turnover for the year ended 31 August 2022 was £Nil, expenditure was £Nil and the profit/(loss) for the year was £Nil. The assets of the company at 31 August 2022 were £5, liabilities were £Nil and capital and reserves were £5.

The registered office of Ascent Extra Limited is:

The Ascent Academies' Trust
Portland Academy
Weymouth Road
Chapelgarth
Sunderland
SR3 2NQ

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

13 Stock

	2022	2021
	£ 000	£ 000
Stationery	10	13

14 Debtors

	2022	2021
	£ 000	£ 000
Trade debtors	15	33
VAT recoverable	66	122
Prepayments	141	99
Accrued income	373	440
	<u>595</u>	<u>694</u>

15 Creditors: amounts falling due within one year

	2022	2021
	£ 000	£ 000
Trade creditors	764	793
Loans	42	33
Accruals	728	266
Deferred income	153	31
	<u>1,687</u>	<u>1,123</u>
	2022	2021
	£ 000	£ 000

Deferred income

Deferred income at 1 September 2021	31	80
Resources deferred in the period	153	31
Amounts released from previous periods	<u>(31)</u>	<u>(80)</u>
Deferred income at 31 August 2022	<u>153</u>	<u>31</u>

At the balance sheet date, the Trust was holding funds received in advance in respect of Local Authority Top Up fees, Supplementary Grant fees and Universal Infant Free School Meals.

16 Creditors: amounts falling due after one year

	2022	2021
	£ 000	£ 000
Loans	<u>231</u>	<u>228</u>

Loans of £22,282 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Ash Trees Academy) - Interest free loan repayable through GAG in 6-monthly installments of £2,228 from March 2019.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

16 Creditors: amounts falling due after one year (continued)

Loans of £5,574 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Barbara Priestman Academy) - Interest free loan repayable through GAG in 6-monthly installments of £1,858 from March 2019.

Loans of £21,562 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Portland Academy) - Interest free loan repayable through GAG in 6-monthly installments of £2,156 from September 2019.

Loans of £16,899 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Hope Wood Academy) - Interest free loan repayable through GAG in 6-monthly installments of £3,380 from March 2019.

Loans of £12,208 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Barbara Priestman Academy) - Interest free loan repayable through GAG in 6-monthly installments of £814 from March 2021.

Loans of £17,920 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Portland Academy) - Interest free loan repayable through GAG in 6-monthly installments of £1,280 from September 2021.

Loans of £8,871 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Portland Academy) - Interest free loan repayable through GAG in 6-monthly installments of £1,183 from September 2022.

Loans of £6,077 from Salix Finance Ltd which is provided on the following terms: Salix Energy Efficiency loan (Hope Wood Academy) - Interest free loan repayable through GAG in monthly installments of £506 from March 2022.

Loans of £56,265 from Department of Education which is provided on the following terms: Department of Education loan (Barbara Priestman Academy) - 10 year loan repayable through GAG in monthly installments of £520 from March 2022. Interest is charged at 2.22% per annum.

Loans of £19,564 from Department of Education which is provided on the following terms: Department of Education loan (Ash Tree Academy) - 10 year loan repayable through GAG in monthly installments of £201 from March 2022. Interest is charged at 2.22% per annum.

Loans of £16,769 from Department of Education which is provided on the following terms: Department of Education loan (Barbara Priestman Academy) - 10 year loan repayable through GAG in monthly installments of £156 from March 2022. Interest is charged at 2.22% per annum.

Loans of £15,559 from Department of Education which is provided on the following terms: Department of Education loan (Hope Wood Academy) - 10 year loan repayable through GAG in monthly installments of £145 from September 2022. Interest is charged at 2.22% per annum.

Loans of £15,890 from Department of Education which is provided on the following terms: Department of Education loan (Hope Wood Academy) - 10 year loan repayable through GAG in monthly installments of £148 from March 2022. Interest is charged at 2.22% per annum.

Loans of £37,822 from Department of Education which is provided on the following terms: Department of Education loan (Hope Wood Academy) - 10 year loan repayable through GAG in annual installments of £342 from September 2023. Interest is charged at 1.49% per annum.

The total amount due over 5 years repayable by installments is £89,772 (2021 - £103,695).

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted general funds					
General Annual Grant	428	7,206	(6,562)	(458)	614
Other DfE/ESFA Grants	-	672	(672)	-	-
Other Government Grants	-	7,585	(7,585)	-	-
	<u>428</u>	<u>15,463</u>	<u>(14,819)</u>	<u>(458)</u>	<u>614</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	7,813	232	(269)	458	8,234
Transfer on conversion	29,410	-	(706)	-	28,704
	<u>37,223</u>	<u>232</u>	<u>(975)</u>	<u>458</u>	<u>36,938</u>
Pension Reserve					
Pension reserve	(15,510)	-	(2,092)	16,165	(1,437)
Total restricted funds	22,141	15,695	(17,886)	16,165	36,115
Unrestricted funds					
Unrestricted funds	719	227	(228)	-	718
Total funds	<u>22,860</u>	<u>15,922</u>	<u>(18,114)</u>	<u>16,165</u>	<u>36,833</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

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

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant	375	7,000	(6,356)	(591)	428
Other DfE/ESFA Grants	-	858	(858)	-	-
Other Government Grants	-	6,357	(6,357)	-	-
COVID-19	-	172	(172)	-	-
	<u>375</u>	<u>14,387</u>	<u>(13,743)</u>	<u>(591)</u>	<u>428</u>
Restricted fixed asset funds					
DfE/ESFA capital grants	6,752	696	(226)	591	7,813
Transfer on conversion	30,117	-	(707)	-	29,410
	<u>36,869</u>	<u>696</u>	<u>(933)</u>	<u>591</u>	<u>37,223</u>
Pension Reserve					
Pension reserve	(13,595)	-	(1,713)	(202)	(15,510)
Total restricted funds	23,649	15,083	(16,389)	(202)	22,141
Unrestricted funds					
Unrestricted funds	707	199	(187)	-	719
Total funds	<u>24,356</u>	<u>15,282</u>	<u>(16,576)</u>	<u>(202)</u>	<u>22,860</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at the balance sheet date.

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year which have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£ 000	£ 000
Portland Academy	-	-
Barbara Priestman Academy	-	-
Ash Trees Academy	-	-
Hope Wood Academy	-	-
Ascent Extra Limited	-	-
Central services	1,332	1,147
Total before fixed assets and pension reserve	1,332	1,147
Fixed asset reserve	36,938	37,223
Pension reserve	(1,437)	(15,510)
Total	<u>36,833</u>	<u>22,860</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

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 2022 £ 000
Portland Academy	2,618	320	35	468	3,441
Barbara Priestman Academy	2,350	429	49	361	3,189
Ash Trees Academy	2,197	377	90	361	3,025
Hope Wood Academy	3,448	545	75	448	4,516
Central services	219	500	-	158	877
Academy Trust	<u>10,832</u>	<u>2,171</u>	<u>249</u>	<u>1,796</u>	<u>15,048</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Funds (continued)

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total 2021
	£ 000	£ 000	£ 000	£ 000	£ 000
Portland Academy	2,525	226	29	354	3,134
Barbara Priestman Academy	2,225	354	37	280	2,896
Ash Trees Academy	2,225	289	93	267	2,874
Hope Wood Academy	3,252	491	58	432	4,233
Central services	195	461	1	136	793
	<u>10,422</u>	<u>1,821</u>	<u>218</u>	<u>1,469</u>	<u>13,930</u>
Academy Trust					

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

18 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	36,956	36,956
Current assets	718	2,259	255	3,232
Current liabilities	-	(1,645)	(42)	(1,687)
Creditors over 1 year	-	-	(231)	(231)
Pension scheme liability	-	(1,437)	-	(1,437)
Total net assets	718	(823)	36,938	36,833

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	37,408	37,408
Current assets	719	1,518	76	2,313
Current liabilities	-	(1,090)	(33)	(1,123)
Creditors over 1 year	-	-	(228)	(228)
Pension scheme liability	-	(15,510)	-	(15,510)
Total net assets	719	(15,082)	37,223	22,860

19 Capital commitments

	2022 £ 000	2021 £ 000
Contracted for, but not provided in the financial statements	-	76

20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2022 £ 000	2021 £ 000
Net expenditure	(2,192)	(1,294)
Depreciation	5	933
Capital grants from DfE and other capital income	(232)	(186)
Defined benefit pension scheme cost less contributions payable	26	1,489
Defined benefit pension scheme finance cost	26	224
Decrease in stocks	3	1
Decrease in debtors	99	44
Increase in creditors	555	287
Net cash provided by Operating Activities	1,300	1,498

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Cash flows from financing activities

	2022 £ 000	2021 £ 000
Repayments of borrowing	(29)	(19)
Cash inflows from new borrowing	41	65
Net cash provided by financing activities	<u>12</u>	<u>46</u>

22 Cash flows from investing activities

	2022 £ 000	2021 £ 000
Purchase of tangible fixed assets	(523)	(1,688)
Capital funding received from sponsors and others	232	186
Net cash used in investing activities	<u>(291)</u>	<u>(1,502)</u>

23 Analysis of cash and cash equivalents

	2022 £ 000	2021 £ 000
Cash at bank and in hand	<u>2,627</u>	<u>1,606</u>
Total cash and cash equivalents	<u>2,627</u>	<u>1,606</u>

24 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	Other non-cash changes £000	At 31 August 2022 £000
Cash	1,606	1,021	-	2,627
Loans falling due within one year	(33)	-	(9)	(42)
Loans falling due after more than one year	<u>(228)</u>	<u>(12)</u>	<u>9</u>	<u>(231)</u>
Total	<u>1,345</u>	<u>1,009</u>	<u>-</u>	<u>2,354</u>

25 Member 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.

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by a number of managers as disclosed below. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,004,967 (2021: £998,160).

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

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

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

Local government pension schemes

Durham County Council Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £364,000 (2021 - £346,000), of which employer's contributions totalled £283,000 (2021 - £267,000) and employees' contributions totalled £81,000 (2021 - £79,000). The agreed contribution rates for future years are 15 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Durham County Council.

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

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.70	3.60
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.00	1.70
Inflation assumptions (CPI)	2.70	2.60
RPI increases	2.70	2.60

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

	2022	2021
Retiring today		
Males retiring today	22.10	22.30
Females retiring today	24.20	24.30
Retiring in 20 years		
Males retiring in 20 years	23.20	23.30
Females retiring in 20 years	25.70	25.80

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2022 £000	At 31 August 2021 £000
Discount rate +0.1%	4,779	7,807
Discount rate -0.1%	5,070	8,281
Mortality assumption – 1 year increase	4,779	7,743
Mortality assumption – 1 year decrease	5,065	8,346
CPI rate +0.1%	4,947	8,241
CPI rate -0.1%	<u>4,897</u>	<u>7,847</u>

The academy trust's share of the assets in the scheme were:

	2022 £ 000	2021 £ 000
Equities	1,964	2,055
Corporate bonds	158	628
Government bonds	406	563
Property	302	225
Cash and other liquid assets	50	160
Asset backed securities	521	-
Other	<u>190</u>	<u>-</u>
Total market value of assets	<u>3,591</u>	<u>3,631</u>

The actual return on scheme assets was (£370,000) (2021 - £577,000).

Amounts recognised in the statement of financial activities

	2022 £ 000	2021 £ 000
Current service cost	764	618
Interest income	(65)	(49)
Interest cost	<u>137</u>	<u>110</u>
Total amount recognised in the SOFA	<u>836</u>	<u>679</u>

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

	2022 £ 000	2021 £ 000
At start of period	8,040	6,437
Current service cost	764	618
Interest cost	137	110
Employee contributions	81	79
Actuarial (gain)/loss	(4,066)	829
Benefits paid	<u>(34)</u>	<u>(33)</u>
At 31 August	<u>4,922</u>	<u>8,040</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

Changes in the fair value of academy trust's share of scheme assets:

	2022	2021
	£ 000	£ 000
At start of period	3,631	2,741
Interest income	65	49
Actuarial gain/(loss)	(435)	528
Employer contributions	283	267
Employee contributions	81	79
Benefits paid	<u>(34)</u>	<u>(33)</u>
At 31 August	<u><u>3,591</u></u>	<u><u>3,631</u></u>

Tyne & Wear Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £496,000 (2021 - £483,000), of which employer's contributions totalled £350,000 (2021 - £341,000) and employees' contributions totalled £146,000 (2021 - £142,000). The agreed contribution rates for future years are 18.7 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by South Tyneside Council.

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

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.20	4.10
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70
Inflation assumptions (CPI)	2.70	2.60
RPI increases	<u><u>2.70</u></u>	<u><u>2.60</u></u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

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

	2022	2021
Retiring today		
Males retiring today	21.80	21.90
Females retiring today	25.00	25.10
Retiring in 20 years		
Males retiring in 20 years	23.50	23.60
Females retiring in 20 years	<u>26.70</u>	<u>26.90</u>
Sensitivity analysis		
	At 31 August	At 31 August
	2022	2021
	£000	£000
Discount rate +0.1%	12,227	19,902
Discount rate -0.1%	12,905	21,006
Mortality assumption – 1 year increase	12,214	19,697
Mortality assumption – 1 year decrease	12,918	21,231
CPI rate +0.1%	12,616	20,556
CPI rate -0.1%	<u>12,516</u>	<u>20,352</u>

The academy trust share of the assets in the scheme were:

	2022	2021
	£ 000	£ 000
Equities	6,911	7,084
Corporate bonds	2,390	2,561
Government bonds	206	268
Property	1,426	1,019
Cash and other liquid assets	231	510
Asset backed securities	565	-
Other	<u>1,118</u>	<u>1,300</u>
Total market value of assets	<u>12,847</u>	<u>12,742</u>

The actual return on scheme assets was (£206,000) (2021 - £2,016,000).

Amounts recognised in the statement of financial activities

	2022	2021
	£ 000	£ 000
Current service cost	1,383	1,164
Interest income	(219)	(180)
Interest cost	<u>347</u>	<u>290</u>
Total amount recognised in the SOFA	<u>1,511</u>	<u>1,274</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

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

	2022	2021
	£ 000	£ 000
At start of period	20,454	17,082
Current service cost	1,383	1,164
Interest cost	347	290
Employee contributions	146	142
Actuarial (gain)/loss	(9,579)	1,920
Benefits paid	(185)	(144)
	<u>12,566</u>	<u>20,454</u>
At 31 August	<u>12,566</u>	<u>20,454</u>

Changes in the fair value of academy trust's share of scheme assets:

	2022	2021
	£ 000	£ 000
At start of period	12,742	10,387
Interest income	219	180
Actuarial gain/(loss)	(425)	1,836
Employer contributions	350	341
Employee contributions	146	142
Benefits paid	(185)	(144)
	<u>12,847</u>	<u>12,742</u>
At 31 August	<u>12,847</u>	<u>12,742</u>

In the year ended 31 August 2022 the actuarial valuation for FRS 102 showed a surplus over liabilities at that date. In accordance with FRS 102 paragraph 28.22, a pension scheme asset is recognised only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. This condition was not met at the balance sheet date and therefore the surplus was not recognised.

The reconciliation of the amounts recognised in the balance sheet is as follows:

	2022	2021
	£ 000	£ 000
Fair value of scheme assets	12,847	12,742
Present value of defined benefit obligation	(12,566)	(20,454)
Pension asset value not recognised (as per FRS 102 para 28.22)	(281)	-
	<u>-</u>	<u>(7,712)</u>

The actuarial movement in the year is therefore as follows:

	2022	2021
	£ 000	£ 000
Actuarial (gain)/loss	(9,154)	1,920
Movement in asset value not recognised	281	-
	<u>(8,873)</u>	<u>1,920</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

Teeside Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £201,000 (2021 - £236,000), of which employer's contributions totalled £152,000 (2021 - £178,000) and employees' contributions totalled £49,000 (2021 - £58,000). The agreed contribution rates for future years are 17.5 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Middlesbrough Borough Council.

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

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.10	3.60
Rate of increase for pensions in payment/inflation	3.10	2.60
Discount rate for scheme liabilities	4.30	1.70
Inflation assumptions (CPI)	3.10	2.60
RPI increases	<u>3.10</u>	<u>2.60</u>

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

	2022	2021
Retiring today		
Males retiring today	21.70	21.90
Females retiring today	23.50	23.60
Retiring in 20 years		
Males retiring in 20 years	22.90	23.30
Females retiring in 20 years	<u>25.30</u>	<u>25.40</u>

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2022 £000	At 31 August 2021 £000
Discount rate +0.1%	5,234	7,745
Discount rate -0.1%	5,315	8,159
Mortality assumption – 1 year increase	4,907	7,650
Mortality assumption – 1 year decrease	5,315	8,254
CPI rate +0.1%	5,222	7,992
CPI rate -0.1%	500	7,912

The academy trust's share of the assets in the scheme were:

	2022 £ 000	2021 £ 000
Equities	3,403	3,609
Property	901	333
Cash and other liquid assets	701	379
Other	-	242
Total market value of assets	5,005	4,563

The actual return on scheme assets was £284,000 (2021 - £785,000).

Amounts recognised in the statement of financial activities

	2022 £ 000	2021 £ 000
Current service cost	470	493
Interest income	(79)	(63)
Interest cost	139	116
Total amount recognised in the SOFA	530	546

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

	2022 £ 000	2021 £ 000
At start of period	7,952	6,810
Current service cost	470	493
Interest cost	139	116
Employee contributions	49	58
Actuarial (gain)/loss	(3,456)	539
Benefits paid	(43)	(64)
At 31 August	5,111	7,952

The Ascent Academies' Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

26 Pension and similar obligations (continued)

Changes in the fair value of academy trust's share of scheme assets:

	2022 £ 000	2021 £ 000
At start of period	4,563	3,606
Interest income	79	63
Actuarial gain/(loss)	205	722
Employer contributions	152	178
Employee contributions	49	58
Benefits paid	(43)	(64)
	<u>5,005</u>	<u>4,563</u>
At 31 August	<u>5,005</u>	<u>4,563</u>

27 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy trust made the following related party transactions:

Federation of Leaders in Special Education

A company related by C Morgan being both a Trustee of The Ascent Academies Trust and a director of Federation of Leaders in Special Education.

The academy trust purchased training totalling £275 (2021 - £nil).

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

At the balance sheet date the amount due to Federation of Leaders in Special Education was £Nil (2021 - £Nil).

28 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £46,441 and disbursed £24,462 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.

Comparatives for the accounting period ending 31 August 2021 are £35,507 received, £20,923 disbursed and £Nil included in other creditors.