

Company registration number 08678162 (England and Wales)

THE FUTURES TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE FUTURES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mrs K Ireland
Rev A Randle-Bissell
Dr D Wood
Mr P Crisp
Dr D Belcher (from 4 January 2023)

Trustees

Mr A Fitzpatrick (Chair of Board from 19 October 2022)
Mrs C Assheton (Chair of Board until 19 October 2022)
Ms K Morris (Vice Chair of Board from 19 October 2022 and Chair of FRARC)
Mrs H Quinn (Chair of Education, Standards & Performance Committee ('ESPC'))
Mrs C Blair
Mr D Loudon
Mrs P Heer
Mr M Moseley
Mrs J Thompson (from 5 September 2022)
Mr P Thomas (Chief Executive Officer until 31 August 2023)

Senior management team

- Chief Executive Officer
- Deputy Chief Executive Officer
- Interim Deputy Chief Executive Officer
- Trust Finance Director
- Trust People and Operations Director

Mr P Thomas (Until 31 August 2023)
Mr S Toor (Interim CEO from 1 September 2023)
Mr C Jupp (from 1 September 2023)
Mrs E Hart
Mrs V Hastie

Company secretary

Miss T Galland

Company registration number

08678162 (England and Wales)

Registered office

Rookery Lane
Coventry
West Midlands
CV6 4GL

Academies operated

President Kennedy School
Barr's Hill School
Parkgate Primary School
Keresley Grange Primary Academy
Keresley Newland Primary Academy
Stoke Park School
The Hinckley School
Camp Hill Primary School

Location

Rookery Lane, Coventry, CV6 4GL
Radford Road, Coventry, CV1 4BU
Parkgate Road, Coventry, CV6 4GF
Waste Lane, Coventry, CV6 2EH
Grove Lane, Coventry, CV7 8JZ
Dane Road, Coventry, CV2 4JW
Butt Lane, Hinckley, LE10 1LE
Hollystitches Road, Nuneaton, CV10 9QA

Principal

Mrs S Rooke
Mr C Jupp
Mrs Z Richards
Mrs N Penlington
Mrs N Penlington
Ms N Rock
Ms L Hickman
Mrs L Barrass

Independent auditor

RSM UK Audit LLP
103 Colmore Row
Birmingham
B3 3AG

THE FUTURES TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
30 High Street
Coventry
CV1 5RE

Solicitors

Stone King LLP
13 Queen Square
Bath
BA1 2HJ

THE FUTURES TRUST

TRUSTEES' REPORT

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements and auditors' report of The Futures Trust (the 'Academy Trust') for the period 1 September 2022 – 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and a strategic report under company law. The trustees confirm that the annual report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2019.

THE FUTURES TRUST BACKGROUND

The Multi-Academy Trust ('MAT') was established by the Governing Body of President Kennedy School, an outstanding academy school, serving a catchment area in north west Coventry. The rationale for the conversion of President Kennedy School into a MAT was to work collaboratively with other local schools in order to improve the educational outcomes for young people. President Kennedy School caters for learners aged 11 to 19 serving adjacent catchment areas in Coventry. President Kennedy School has a capacity of 1,600 and a roll of 1,829 in the school census in 2023.

Barr's Hill School, a nearby secondary school serving a catchment area close to the centre of Coventry, converted to academy status and joined The Futures Trust on 1 October 2015. Barr's Hill School caters for learners aged 11 to 19 serving adjacent catchment areas in Coventry. Barr's Hill School has a capacity of 805 and a roll of 1,002 in the school census in 2023.

Parkgate Primary School and Keresley Grange Primary Academy, two nearby primary schools serving a catchment area close to the centre of Coventry, converted to academy status and joined The Futures Trust on 1 February 2017. Both Parkgate Primary School and Keresley Grange Academy cater for learners aged from 3 to 11 and serve adjacent catchment areas in Coventry. Parkgate Primary School has a capacity of 630 and a roll of 624 in the school census in 2022. Keresley Grange Academy has a capacity of 315 and a roll of 304 in the school census in 2023.

Stoke Park School, a nearby secondary school serving a catchment area close to the centre of Coventry, converted to academy status and joined The Futures Trust as a sponsored school on 1 October 2017. Stoke Park School caters for learners aged 11 to 19 serving adjacent catchment areas in Coventry. Stoke Park School has a capacity of 1,116 and a roll of 1,074 in the school census in 2023.

Keresley Newland Primary Academy, a small primary school located in Keresley Village, close to President Kennedy School and Keresley Grange Primary School, transferred from NET Academies Trust and joined The Futures Trust as a sponsored school on 1 December 2018. Keresley Newland Primary Academy caters for learners aged 3 to 11 serving adjacent catchment areas in Coventry. Keresley Newland Primary Academy has a capacity of 210 and a roll of 149 in the school census in 2023.

The Hinckley School (formerly Hinckley Academy), is a secondary school in the Hinckley area, serving students aged 11-19, joined The Futures Trust as a sponsored school on 1 December 2020. The Hinckley School has a capacity of 1,450 and a roll of 1,180 in the school census 2023.

Camp Hill Primary School, is a primary school in Nuneaton, serving students aged 2 – 11 and joined the Academy Trust on 1 March 2022. Camp Hill has a capacity of 480 and a roll of 405 in the school census 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Futures Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The trustees act as directors of the charitable company for the purposes of company law, as well as fulfilling their obligations as trustees for the charitable activities of The Futures Trust. The charitable company is known as The Futures Trust. Details of the trustees are included in the Reference and Administrative Details on page 1.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Members' liability

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

Trustees' indemnities

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000.

Method of recruitment and appointment or election of Trustees

The trustees are responsible for:

- The strategic management of The Futures Trust
- Agreeing the strategic plans for The Futures Trust including the Development Plans of schools within the Academy Trust and monitoring educational standards
- Setting and agreeing Academy Trust policy
- Reviewing the Academy Trust's major risks and ensuring that these are managed within agreed limits
- Agreeing and monitoring the Academy Trust's budget and financial health
- Appointing the Chief Executive Officer and holding him or her to account

The Board of Trustees has established procedures that enable regular reviews of mix of skills and experience that should be available to the board. New trustees with the appropriate skills and experience are sought either as replacements for trustees who retire from the board, or as additional trustees. The majority of Local Governing Body governors are drawn from the community served by the school and are often parents or carers of students who attend the school. Trustees and governors are recruited by advertising in school newsletters, by direct approaches or where specific skills are sought, via Inspiring Governance and Academy Ambassadors.

The method of appointment, election and removal of trustees and governors is set out in The Futures Trust's Articles of Association.

Policies and procedures adopted for the induction and training of Trustees

Induction and training provided for new trustees is adapted according to their skills and experience. Upon appointment, all trustees receive an induction pack, the content of which has been approved by the Members. The pack outlines the roles and responsibilities of a Company Director and Charity Trustee and includes key documents such as the Governors' Handbook and Competency Framework for Governance (published by the Department of Education (DfE)) and the most recent Academies Trust Handbook (issued by the Education and Skills Funding Agency (ESFA)). New trustees attend welcome meetings with the CEO and key members of the Central Team. Throughout the year, Trustees are provided with training opportunities, either at Board meetings or planned sessions and where appropriate include education, charity, legal and financial training. Trustees receive regular communication in relation to updates across the Academy Trust and developments within the sector.

All trustees and governors receive an Induction Pack relevant to the individual school and updates from RSM, legal firm Stone King, the National Governance Association and The Key for School Governors. A thorough Induction and Training Programme for governors and trustees was delivered during the academic year. Training sessions included Governor Induction, Changes to the Ofsted Framework, Financial and Budget management and Safeguarding.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

The Futures Trust Governance Framework

The Futures Trust is governed by a Board of Trustees who is responsible for, and oversee, the management and administration of the Academy Trust and its schools.

The Futures Trust is the only legal entity accountable for all the schools within the Academy Trust. The Futures Trust has entered into a master funding agreement with the Secretary of State which governs all schools in the Academy Trust.

The trustees are accountable to external government agencies including the Charity Commission and the Department for Education for the quality of the education they provide and they are required to have systems in place through which they can assure themselves of quality, safety, probity and good practice. In order to discharge these responsibilities, the trustees appoint individuals to serve on committees which focus on specific matters such as Education and Standards, Finance, Resources, Risk and Audit.

A Local Governing Body oversees each school in the Academy Trust. The Local Governing Body is focused on the day to day running of each school specifically the educational outcomes for the pupils it serves.

A Scheme of Delegation outlines the ways in which the trustees fulfil their responsibilities for the leadership and management of The Futures Trust, the respective roles and responsibilities of the Board of Trustees, their Committees, the Chief Executive Officer, Head Teacher and the Local Governing Body of each school and the commitments to each other to ensure the success of The Futures Trust.

Local Governing Bodies are responsible for:

- The day to day oversight of the school
- Formulating the school's Development Plan and monitoring educational standards
- Ensuring the school complies with statutory requirements and Academy Trust policy
- Reviewing the school's major risks and ensuring that these are managed within agreed limits
- Agreeing and monitoring the school's budget and financial health
- Appointing the school's head teacher in consultation with the Academy Trust and holding him or her to account

Organisational structure

The CEO is the appointed Accounting Officer of The Futures Trust and has the overall responsibility for the day to day financial management of the schools. The CEO has delegated responsibility to specific budget holders for expenditure within strictly controlled limits. These limits are monitored by the Academy Trust's Finance Director and items of expenditure with a total BACS payment above £5,000 must be authorised by the CEO.

The head teacher manages the day to day running of the school supported by a leadership team. The leadership team meets regularly to review the school's progress and consider issues, risks and trends which affect the school. The leadership team assist the head teacher to develop and implement school plans. Individual members of the leadership team are allocated specific management responsibility by the head teacher.

Risk Management

The trustees are responsible for the management of risks to which The Futures Trust is exposed. The Academy Trust has formulated its own Risk Management Policy and put in place sound systems of internal governance and control.

The controls used by the Academy Trust include:

- Formal agendas for Academy Trust and committee meetings
- A detailed Scheme of Delegation
- Detailed terms of reference for all committees
- School Development Plans for each school within the Academy Trust identifying key strategic planning objectives and the resources required to achieve them
- Budget planning, monitoring and review
- Clear financial delegation levels
- Formal written policies reviewed on a regular basis
- Clear safeguarding and vetting procedures as required by law to protect children and young people
- Rigorous review of educational achievement to ensure continuing high standards
- Comprehensive planning and review of admissions processes
- A risk based programme of audits throughout the year

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Risk management (Continued)

The trustees, together with the MAT Central team and the leaders of the Academy Trust's schools have identified and assessed material financial, operational and strategic risks which, if unmanaged, could impact educational standards, the Academy Trust's reputation and/or financial well-being. These are regularly monitored and updated.

A comprehensive list of these risks has been compiled within the Academy Trust's 'Risk Register'. Mitigating actions have been identified and policies have been put in place and are reviewed regularly. Risk factors which are beyond the Academy Trust's control such as a rising staff costs and the national funding formula, are monitored and planned for.

A disclosure of the Academy Trust's material risks are made within the Strategic Report later in this document.

The Futures Trust recognises potential threats which could lead to business interruption and has created a Business Continuity Plan to ensure that its critical activities can be maintained within agreed recovery time objectives.

The Futures Trust has comprehensive insurance cover through the Risk Protection Arrangement (RPA) to ensure that if risks materialise, the impact is limited within quantifiable limits.

The Board of Trustees is satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised, however, that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees makes decisions regarding the setting of pay and remuneration for key management personnel working across the Academy Trust. The Board directly considers the pay of the CEO and all Head teachers on an annual basis, and delegates the performance management of the Academy Trust's Central Team to the CEO who makes recommendations to the Board regarding pay. When considering senior pay, the Board takes account of the need to secure the knowledge, experience, skills and personal capabilities required to enable the Academy Trust to achieve its educational objectives, the price of such skills in the labour market and the need to ensure equality and the effective use of public money. To that effect, the Board commissions external independent advisors where it deems necessary.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Section 172 Statement

In accordance with Section 172 of the Companies Act 2006, the duty to promote the success of The Futures Trust was complied with by the Directors, who form our Board of Trustees.

The Board of Trustees is committed to building brighter futures for the Academy Trust's learners, staff, communities and all its stakeholders. In order to deliver its aims, the board approves the Academy Trust's strategic plan and reviews performance against this regularly. All decisions are consistent with The Futures Trust's strategic plan and the best long term interests of the Academy Trust and its stakeholders in mind.

Part of the Academy Trust's plan is focused on the importance of its employees and staff well-being strategy and initiatives are in train. The issue of staff workload is regularly reviewed and appropriate actions are taken to address any concerns. The Academy Trust enjoys productive working relationships with the trade unions.

Trustees understand the importance of maintaining productive relationships with stakeholders, underlined by a strong sense of purpose. The CEO and his staff proactively collaborate with a variety of stakeholders across the education sector and share knowledge and best practice.

High standards of business conduct are always maintained. The Academy Trust holds regular meetings with suppliers and engages with them through different procurement processes to ensure good working relationships are developed and sustained.

The Futures Trust's impact on the community and environment is a priority for Trustees. The Academy Trust is engaged in raising educational standards across all its schools which raise the aspirations and life chances of all its learners, which in turn, has a profound impact on those around them. Environmental concerns are addressed through capital investment in more efficient buildings and estates facilities and engaging with environmentally friendly schemes, such as Salix loans for energy saving lighting.

As an Academy Trust with charitable status, we are committed to 'learners first' in everything we do, both within and beyond the classroom. Our learners take priority in all things and their progress is monitored in detail and senior leaders are held to account.

The Futures Trust's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders. The Board of Trustees comprises a wealth of experience including business and educational expertise. Trustees understand their role in ensuring corporate governance best practice is followed and are supported in their work by the Finance, Resources, Audit and Risk Committee and the Education, Standards and Performance Committee.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	6
Full-time equivalent employee number	5.50

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	3,169
Total pay bill	32,662,142
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Related parties, connected charities and co-operation with other organisations

All members, trustees and governors complete a business and pecuniary interests declaration form annually which sets out the relationship with The Futures Trust that is not directly related to their duties as trustees. The entries on the Register are checked, confirmed or updated at every meeting. Trustees are required to declare any potential conflicts of interest as they arise and take no further part in any decision relating to the matter declared.

The Register of Business & Pecuniary Interests for members, trustees and governors is available on The Futures Trust's website. The Register of Business & Pecuniary Interests for Local Governing Bodies can also be found on the respective school's websites.

Streamlined energy and carbon reporting

This content is included under that heading within the strategic report section.

Engagement with employees

The Academy Trust consults employees and their recognised representatives regarding matters of concern to them, and employees are kept informed and given the opportunity to provide feedback on specific matters directly by management. The Academy Trust has a range of policies in place in relation to personnel matters which are made available to staff in each of the Academy Trust schools, and the Academy Trust encourages and values employee voice and participation. Forums for communication include staff briefings, school portals, meetings with representatives, website postings, training and professional development activities, exit interviews and direct mail and hard copy communications.

The Academy Trust is committed to equality of opportunity and values diversity and the different contributions that the people who become members of our staffing community are able to make. All staff are selected on the basis of their knowledge, experience, skills, abilities and potential, and are chosen because they will successfully and positively add value, raise standards and bring the Academy Trust's values to life. The Academy Trust's recruitment, selection, retention and professional development activities are implemented with due regard to the Equality Act 2010, the Equality Duty, and the duty to make reasonable adjustments, and no person will be discriminated against on the basis of age, sex or sexual orientation. The Academy Trust recognised that people's needs will change throughout their working lives and is committed to developing and delivering working practices and policies that are responsive to this.

OBJECTIVES AND ACTIVITIES

Objects and aims

The charitable objectives ('the Object') for which the Academy Trust was formed are set out in its Articles of Association. The MAT's ('the Academy Trust') is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Objectives, strategies and activities

The Futures Trust vision is *building brighter futures* for all. We are aspirational for our learners, our staff and our communities. Our mission is to make a difference, raise the horizons and ambitions of those who learn, work and live within our diverse communities. We believe that inclusive education within an innovative and sustainable learning community enables individuals and groups to access, participate, own and shape their futures and in the most profound sense, their own ability to make a difference and seize opportunities. *Building brighter futures* articulates our purpose, our direction of travel and our commitment to education advancing society and human endeavour.

Our Beliefs

1. We base our decision-making and actions upon our three core principles
 - Learners First
 - It's about Learning
 - No Barriers
1. Every child and young person is held to be of equal value and enabled to succeed
2. The development of the whole child is integral to their learning experiences
3. Our learners will achieve their full potential through high-quality curriculum, support and experience in order to be the best they can be
4. Better together in a Professional Learning Community
5. Individual school identity matters

Our Values

- Aspiration - We are ambitious for all to develop and grow, achieve success and make the most of their opportunities
- Belonging – We believe in a supportive diverse and inclusive community in which all flourish and build their future
- Collaboration – We are committed to a common desire to learn and support each other, share experiences and be mutually supportive to deliver real and sustained impact
- Determination - We believe that what we do and how we do it is impactful and makes a difference
- Equity – We are committed to the advancement, opportunity and fairness for all

Our beliefs and values are critical to providing our identity. They shape our strategic thinking and act as reference points to develop our operational practice. They underpin our decision-making throughout our Academy Trust and serve as a catalyst to address complex and difficult issues so as to act and focus upon our vision of *building brighter futures*.

The Futures Trust Strategic Plan

Since November 2021, the Academy Trust has been consulting and developing its new strategic plan. The strategy marks a new and significant period for the Academy Trust as we seek to build on our reputation as a successful school improvement Academy Trust by developing and strengthening collaboration and partnerships within our community at local and national level to generate high-class experiences for all who attend and work in our schools. The new strategy was formally approved in July 2023 and will be known as ACE.

The core strategic themes are:

1. **Achievement** - Enhancing educational effectiveness to improve learner achievement
2. **Community** - Enabling a connected powerful education community
3. **Experience** - Enriching educational opportunities to improve learners' experiences

Each strategic theme is supported by a series of developmental pillars. We have developed 5 strategic enablers focused on delivering ACE effectively and efficiently and according to best value for money principles. They provide our approach to achieving our vision at school and Academy Trust level. The strategic enablers are:

1. People and Organisation
2. Estates and environmental responsibility
3. Academy Trust sustainability
4. Civic partnerships
5. Digital connectivity

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

The Futures Trust is committed to the principle of excellence through collaboration and partnership. Our community is committed to a common desire to learn from each other, share experiences and be mutually supportive in order that outstanding learning outcomes and exceptional educational experiences are provided for all our students. From this shared commitment and belief in mutual support, we gain our sense of belonging. The Academy Trust ambition is to achieve the following:

- Improve upon all school OFSTED ratings and ensure all students go to Outstanding schools
- Students are confident, well rounded and have a clear and strong purpose in life
- Teaching and leadership are outstanding and sustainable
- Staff are clear about their responsibilities and are motivated, recognised and rewarded appropriately
- Current and prospective parents engage effectively with schools via a well thought through offer
- Develop an extensive and successful enrichment programme
- Invest in buildings and facilities to provide outstanding learning environments.

The Academy Trust's approach to school improvement is based upon developing and sharing practical strategies that work in the classroom as well as support all students to achieve their potential. The Academy Trust is constantly seeking ways to improve the following:

1. Learner Outcomes
2. Teaching and Learning – Quality in the Classroom
3. Communication Skills
4. Support – Systematic Monitoring and Intervention
5. Experience – Curriculum Design
6. Leadership of learning
7. Professional Development

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Academy Trust's objectives and aims and in planning future activities for the year. In accordance with its charitable objectives, the primary purpose of The Futures Trust is to ensure that students who attend the Academy Trust's schools achieve the best possible educational outcomes and life chances beyond school. The students are therefore the beneficiaries of the Academy Trust and benefits to students are provided by ensuring the highest standard of teaching and learning in all the Academy Trust's schools.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Educational Achievements and Key Performance Indicators

For the accounting year ending 31 August 2023, The Futures Trust was responsible for eight schools; four primary and four secondary schools. In total, there are 6,646 learners aged from 3 to 19 and 824 staff across the Trust.

Despite the sector wide financial pressures including the Teacher Pay Awards funding, energy crisis, inflation and the cost of living crisis, the Trust has managed its resources efficiently during the year. This was particularly challenging for our schools as they serve areas of high disadvantage and so many of these national challenges were exacerbated for our students and families.

Challenges during the Teachers industrial action across the Trust have been managed in accordance with DfE guidance and educational disruption kept to a minimum; the Trust's focus has been to keep the impact on learners to the minimum level possible.

Issues identified by the DfE in connection with schools' estates safety and Reinforced Autoclave Aerated Concrete (RAAC) have been addressed by The Trust undertaking RAAC surveys in March 2023 to determine if this was present in our schools. The surveys, carried out in accordance with DfE guidance did not identify the presence of RAAC in any of the Trust schools.

The Trust is incredibly pleased that Keresley Newland Primary Academy school achieved an Ofsted judgement of Good in May 2023, and The Hinckley School achieved an Ofsted judgement of Good in September 2023. Both schools came out of Special Measures straight to 'Good'.

Following the retirement of Peter Thomas as CEO on 31 August 2023, the Trust has appointed Chris Jupp as CEO and Accounting Officer from September 2024. During the interim period, the deputy CEO Stephen Toor will be fulfilling the roles of Interim CEO and Accounting Officer.

The Trust is expecting to grow in the short to medium term and it is the intention of a large local secondary school to join the Trust during 2024.

This academic year saw the grading of public examinations return to pre-pandemic standards. This led to a fall in national standards across all subjects and key thresholds. Academy Trust secondary schools saw a smaller drop than the national average and indeed, improved upon their pre-pandemic performance (2019) in most headline measures.

The gap between disadvantaged and non-disadvantaged pupils has remained broadly the same as last year but narrowed further in the important threshold of strong pass in English and maths. Achievement of Academy Trust disadvantaged pupils is again expected to significantly exceed national. Official progress data, when released is likely to show pupils with SEND making their best ever progress in 2023.

Standards in Academy Trust primary schools on aggregate have held steady compared to 2022.

Parkgate Primary School was judged Good by Ofsted in January 2020.

Standards at Parkgate Primary rose again in 2023. At KS2 pupils outperformed national in the headline measures for expected standard. Most pupil groups are expected to exceed national rates of progress.

The quality of teaching was consistently high across the Key Stages.

Attendance in 2022/23 was 92.6% which is broadly in line with the 2023 national average.

Keresley Grange Primary School was judged Good by Ofsted in January 2020.

Standards at Keresley Grange Primary improved in 2022 but this was not sustained into 2023 for reading and maths. Writing at the higher standard improved significantly on last year and is now double the national average.

The quality of teaching was consistently high across the Key Stages. Attendance in 2022/23 was 94.1% which represents an improvement on last year and is above the national average.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Keresley Newland Primary Academy was judged Good by Ofsted in May 2023 having never previously been judged Good.

The school achieved its strongest set of results ever in 2022 when standards rose significantly across reading, writing and maths helping the school outperform national across all headline measures. Standards in 2023 saw a drop but the overall trend for the school remains positive.

The quality of teaching has improved significantly across the Key Stages. Attendance in 2022/23 was 91.7% which, though below the national average, was affected by a small number of persistent absentees.

Camp Hill Primary School joined The Futures Trust in March 2022.

Standards at the school in 2023 improved on 2022. The gap between school attainment and national continues to close with 2023 being the school's best set of KS2 results ever (not including non-examined years). The greatest improvements were seen in maths compared to 2022.

Further development of the curriculum is expected to see standards of teaching and learning continue to rise. Attendance at the school in 2022/23 was 92.5% which is broadly in line with national average.

President Kennedy School was judged Outstanding by Ofsted in 2013

In 2023, President Kennedy School produced another strong set of Key Stage 4 results with students making more progress than the national average across the main subject groups. Over 66% of students achieved a standard pass in English and mathematics.

At A level, students achieved a 98% pass rate. The proportion of students achieving top grades A*-B in academic A levels was 44% in a school with one of the most inclusive intakes in the city.

Attendance in 2022/23 was 91.5% which is an improvement on the previous year and above the 2023 national average.

Barr's Hill School was judged Good by Ofsted in September 2018.

In 2023, Barr's Hill school produced yet another set of outstanding results with students making outstanding progress at KS4 from their starting points. On average, students achieved over one half GCSE grade above the national average across all their subjects. Disadvantaged students and those with special educational needs significantly outperformed the national average.

At Level 3, standards in the academic subjects and the vocational subjects remain good with the school achieving well in even newer subjects. The proportion of students achieving A*-B in academic A levels was 43%, in a school with a very inclusive intake.

Attendance in 2022/23 was 92.2% which is well above the national average for 2023.

Stoke Park School was judged Good by Ofsted in March 2022 having joined the Academy Trust as a school in Special Measures.

Standards at GCSE have continued their upwards trajectory with the school now close to national average in the headline attainment measures: 58% achieved standard pass (grade 4+) in English and Maths and 4.4 at Attainment 8 (average grade across best eight qualifying subjects). Progress made by students is above the national average.

At Level 3, the proportion of students achieving A*-B in academic A levels was 41%.

Large number of students having been accepted onto competitive Degree Courses and apprenticeships. Attendance in 2022/23 was 93.7% which is significantly above the national average for 2023.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

The Hinckley School (formerly known as Hinckley Academy and John Cleveland Sixth Form Centre) was judged Good by Ofsted in September 2023 having been judged Special Measures in May 2018 prior to transferring to The Futures Trust as a sponsored school in December 2020.

Standards at GCSE have rose sharply in 2022 with the school broadly in line with national average in key headline measures and for progress. Standards in 2023 were slightly below 2022 but the overall 3yr trend is very positive.

At Level 3, students achieved a 97% pass rate. The proportion of students achieving A*-B in academic A levels was 29%. The majority of students studying Level 3 Vocational courses achieved well with a large number of students having been accepted onto competitive Degree Courses.

Attendance in 2022/23 was 89.2% which represents an improvement on last year and is broadly in line with the local average but below the national average.

Key Financial Performance Indicators

The key performance indicators monitored by the Central Team and Board of Trustees on a regular basis are as follows:

- Employee costs as a percentage of income
- Pupil numbers versus capacity and opportunity cost
- Quarterly management accounts versus budget
- Forecast management accounts up to period end versus budget
- GAG income versus expenditure
- Days lost due to employee absence and percentage of funding spent on supply staff
- Employee and other costs per student benchmarked against national medians
- Average teacher cost benchmarked against national medians
- Average support staff cost benchmarked against national medians
- Monthly cash flow forecasts

Financial review

Most of the Academy Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2023, the Academy Trust's total expenditure was £45,513k (2022: £42,496k) compared to £50,239k (2022: £55,378k) total incoming resources including grant funding from the DfE together with other incoming resources. Excluding the impact of schools converted, pension scheme movements and capital movements, expenditure was £43,061k (2022: £39,738k) compared to incoming resources of £44,219k (2022: £39,595k). The majority of the increased income was from GAG funding.

Total staff costs represent approximately 77% (2022: 85%) of available income. The increases in staff costs have been driven by nationally agreed pay rises, and by progression within pay scales.

Educational funding received from DfE/ESFA grants during the year was £41,060k (2022: £37,166k). From the pupil number censuses, total pupil numbers in the relevant years have increased by 3.7% (2022: 8.74%).

During the year ended 31 August 2023, there was an increase in cash of £1,615k (2022: increase of £1,200k). The net movement in cash included a £2,627k inflow in respect of operating cash flows (2022: £1,415k inflow) plus outflows of £964k (2022: £341k outflow) in respect of investing activities, plus outflows of £48k (2022: £126k inflows) in respect of financing activities.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Financial review (continued)

In accordance with correct disclosure requirements, the financial information which is presented in the Statement of Financial Activities includes assets and liabilities transferred from local authorities upon conversion and transactions in the restricted fixed asset fund. Such presentation can obscure an overview of the operating performance of the Academy Trust. Under the accounting standards, it is necessary to charge projected deficits on the Local Government Pension Scheme (LPGS), provided to support staff, to the restricted fund. This resulted in reducing the reserves in the restricted fund. It should be noted that this does not present the Academy Trust with any current liquidity problems.

The trustees consider that the financial position is appropriate in light of the need to balance the immediate expenditure of the Academy Trust with their longer term commitments and current cash reserves.

Reserves policy

The Academy Trusts' policy is to generate reserves in order to fund future projects which will improve the educational experiences and outcomes for students. The level and use of reserves are reviewed at least annually by the Board of Trustees.

Reserves are held as follows:

- to cover working capital requirements.
- as a contingency to meet unforeseen expenditure (forming part of unrestricted general funds) eg. an expensive large repair to land and building.
- to fund planned future capital expenditure (forming part of the restricted fixed asset fund).
- to cover a fall or rise in sources of income eg. non-renewal of grant.
- the need to fund potential deficits in a cash budget, for example money may need to be spent before funding is raised or received.

The level of reserves is kept under review by the Trustees, and they assess them in relation to these purposes.

At 31 August 2023, the Academy Trust's reserves totalled £76,576k the majority of which are held as fixed assets and therefore not available to be spent by the Academy Trust.

The deficit on restricted general funds totalled £4,923k. Excluding the pension reserve and pension provision the total restricted general fund was £469k. The total of £469k is in relation to General Annual Grant and other government grants. These monies will be spent in line with guidelines of the income.

The balance on the unrestricted funds carried forward of £1,576k which will be used within the Academy Trust's charitable objectives.

Investment policy

The Trustees' powers to invest cash reserves are set out in the Academy Trust's Memorandum and Articles of Association, which permit the investment of funds that, are not immediately required for educational purposes subject to any restrictions which may from time to time be imposed by law.

Trustees are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Trustees consider the investment of surplus funds not as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board.

Trustees' management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational costs. Banks must be selected from the FSA Approved List included in the Financial Services Compensation Scheme (FSCS).

The Academy Trust's current policy is to invest in low risk, short term cash deposits. Cash reserves are currently deposited within Lloyds Bank plc.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Plans for future periods

The Academy Trust remains committed to building brighter futures for everybody within our community and improving the educational outcomes, destinations and life chances for those students that attend its schools.

The trustees are committed to a policy of measured strategic expansion of the number of primary and secondary schools which are welcomed into the Academy Trust. Particular priority will be given to new schools that could join the Academy Trust, in Coventry, Warwickshire and Leicestershire.

At a time of heightened regulation and increasingly constrained resources, it is essential that schools work together to share business best practice and benefit from economies of scale in areas such as H.R., ICT, facilities, finance and procurement. The Futures Trust will continue to develop effective and efficient professional business services that are fit for purpose, compliant with standards required from academy schools and add real value to the educational outcomes for the young people served by each and every school.

Principal risks and uncertainties

The period ending 31 August 2023 continues to see schools operating as normal following the national pandemic (Covid 19). The pandemic changed the risk profile of the Academy Trust and its schools and the Academy Trust recognised that the national pandemic increased both safeguarding risks for its learners whilst adversely impacting their learning. The other risk identified as the Academy Trust and its schools came out of the pandemic is the absence levels of staff and the attendance of pupils.

In addition to managing the specific risks presented by the national pandemic, the following significant financial and business risks have been identified and continue to be managed by the trustees:

- Safeguarding students continues to be the Academy Trust's number one priority.
- Securing outstanding educational outcomes for all students given changes to national curriculum and measures of success.
- Estates safety and management (including RAAC assessment).
- ICT and Cyber security.
- Financial Sustainability.
- Recruitment and retention of outstanding teachers and support staff.

The Academy Trust Risk Register is in place and, where appropriate, systems or processes have been established to mitigate the risks each school faces. Internal control risks are reduced by the implementation of procedures for authorisation of all transactions and projects. The Board of Trustees has assessed the major risks to which the Academy Trust is exposed, in particular those relating to quality teaching, the provision of facilities and other operational areas including the control of finances. Procedures are in place to ensure compliance with health and safety of staff, visitors and pupils.

The Academy Trust has an effective system of internal financial controls which is explained in detail in the Governance Statement.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

Financial and risk management objectives and policies

The trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the academies within the Academy Trust, and its finances. The trustees have implemented a number of systems to assess these risks as well as operational procedures and internal controls to manage these risks. Where significant financial risk remains they have ensured they have adequate insurance cover.

The Academy Trust is party to a PFI agreement in respect of the school buildings at President Kennedy School. This agreement runs to a period of 25 years under terms agreed between the Department for Education and Coventry City Council.

GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation at the time of approving the financial statements, that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Following the uncertainty presented by the economic position, management has reassessed the going concern assumption and confirms that it remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due. 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.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Fundraising

No professional fund-raisers or commercial participator have been engaged.

The Academy Trust abides by the Code of Fundraising practice. Fundraising activity in this financial year consisted of applications to grant making trusts and National Lottery funded organisations. No appeals to members of the public have been made.

The fundraising function of the Academy Trust is monitored through regular line management, the review of grant applications and the monitoring and evaluation of grants received.

Employee consultation and disabled employees

The Trust consults employees and their recognised representatives regarding matters of concern to them, and employees are kept informed and given the opportunity to provide feedback on specific matters directly by management. The Trust has a range of policies in place in relation to personnel matters which are made available to staff in each of the trust schools, and the Trust encourages and values employee voice and participation. Forums for communication include staff briefings, school portals, meetings with representatives, website postings, training and professional development activities, exit interviews and direct mail and hard copy communications.

The Trust is committed to equality of opportunity and values diversity and the different contributions that the people who become members of our staffing community are able to make. All staff are selected on the basis of their knowledge, experience, skills, abilities and potential, and are chosen because they will successfully and positively add value, raise standards and bring the Trust's values to life. The Trust's recruitment, selection, retention and professional development activities are implemented with due regard to the Equality Act 2010, the Equality Duty, and the duty to make reasonable adjustments, and no person will be discriminated against on the basis of age, sex or sexual orientation. The Trust recognised that people's needs will change throughout their working lives and is committed to developing and delivering working practices and policies that are responsive to this.

Streamlined energy and carbon reporting

The Futures Trust as determined by sections 465 and 466 of the Companies Act 2006 and because it consumes more than 40,000 kWh of energy in a reporting period must include within the Trustees' Report the following information.

UK Greenhouse gas emissions and energy use data for the accounting period 1 September 2022 to 31 August 2023.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

	2023 kWh	2022 kWh	2021 kWh
<i>Energy consumption</i>			
Aggregate of energy consumption in the year	9,723,075	9,573,296	9,463,551
	2023 metric tonnes	2022 metric tonnes	2021 metric tonnes
<i>Emissions of CO2 equivalent</i>			
Scope 1 - direct emissions			
- Gas combustion	5,099.98	4,025.37	5,334.00
- Fuel consumed for owned transport	11.78	6.87	-
	5,111.76	4,032.24	5,334.00
Scope 2 - indirect emissions			
- Electricity purchased	1,127.40	2,483.65	586.45
Scope 3 - other indirect emissions			
- Fuel consumed for transport not owned by the Academy Trust	2.56	2.03	-
	6,241.72	6,517.92	5,920.45
<i>Intensity ratio</i>			
Tonnes CO2e per pupil	0.93	1.04	1.02

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 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

The total energy consumption in kWh across the Academy Trust has increased slightly from 9,573,296kWh in 2022 to 9,723,075kWh in the year ending 31st August 2023.

The total tonnes of CO2 emissions have decreased within the same period from 6,517.92 to 6,241.72. The intensity ration of 0.93 denotes the number of tonnes of CO2 produced per pupil across all Academy Trust schools. This has reduced from 1.04 mainly as a result of increased number of pupils and a reduction in total gross emissions due to a reduced use of biomass heating at The Hinckley School.

Measures taken to improve energy efficiency

LED lighting has been installed at Camp Hill School and remaining areas of Barr's Hill and Hinckley Schools. Single glazing windows have been replaced with double glazing in buildings to be retained at The Hinckley School and in areas of Parkgate School. Heating pumps at Hinckley have been replaced with modern inverter-controlled pumps.

THE FUTURES TRUST

TRUSTEES' REPORT (CONTINUED)

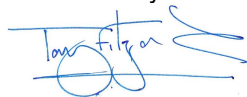
AUDITOR

RSM UK Audit LLP were re-appointed as the Academy Trust's external auditors.

Statement as to disclosure of information to auditors

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the board of trustees and the strategic report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 13 December 2023 and signed on its behalf by:



Mr A Fitzpatrick

Chair of Board from 19 October 2022

THE FUTURES TRUST

GOVERNANCE STATEMENT

Scope of responsibility

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Futures Trust and the Secretary of State for Education. They are 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. There were six Board meetings during 2022/23 and one Away Day. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr A Fitzpatrick (Chair of Board from 19 October 2022)	6	6
Mrs C Assheton (Chair of Board until 19 October 2022)	1	1
Ms K Morris (Vice Chair of Board from 19 October 2022 and Chair of FRARC)	5	6
Mrs H Quinn (Chair of Education, Standards & Performance Committee ('ESPC'))	6	6
Mrs C Blair	5	6
Mr D Loudon	6	6
Mrs P Heer	4	6
Mr M Moseley	5	6
Mrs J Thompson (from 5 September 2022)	6	6
Mr P Thomas (Chief Executive Officer until 31 August 2023)	6	6

In order to discharge their responsibilities effectively, the Board of Trustees appoint individuals to serve on Committees which focus on specific matters such as education, standards, academic performance, finance and resources, risk and audit.

The Board of Trustees has two Committees:

- Finance, Resources, Audit & Risk Committee
- Education, Standards & Performance Committee

The purpose of the Finance, Resources, Audit & Risk Committee is to exercise responsibility for, and oversight of, the finances, assets and staff within the Academy Trust and its academies. In addition, the Committee shall oversee all systems of governance and internal control and ensure risk management processes and audit functions are in place and fit for purpose across the Academy Trust and its academies.

THE FUTURES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Attendance at meetings in the 2022/23 academic year was as follows:

Trustees	Meetings attended	Out of possible
Mr A Fitzpatrick (Chair of Board from 19 October 2022)	5	5
Mrs C Assheton (Chair of Board until 19 October 2022)	1	1
Ms K Morris (Vice Chair of Board from 19 October 2022 and Chair of FRARC)	5	5
Mr D Loudon	4	5
Mrs P Heer	2	5
Mr M Moseley	5	5
Mr P Thomas (Chief Executive Officer until 31 August 2023)	5	5

The purpose of the Education, Standards & Performance Committee is to ensure all schools secure a Good or better Ofsted judgement in accordance with the overarching criteria in the Ofsted Inspection Framework for the quality of education, behaviour and attitudes, personal development and leadership and management

Attendance at meetings in the 2022/23 academic year was as follows:

Trustees	Meetings attended	Out of possible
Mrs H Quinn (Chair of Education, Standards & Performance Committee ('ESPC'))	2	2
Mrs J Thompson (from 5 September 2022)	2	2
Mr P Thomas (Chief Executive Officer until 31 August 2023)	2	2

Governance reviews

The quality of Governance is kept under constant review and where appropriate changes to the membership of the Members, Board of Trustees, its sub committees and Local Governing Bodies are implemented. The company secretary ensures that governance knowledge and training is closely tracked and takes action to address any areas for development. An External Review of Governance was undertaken by the National Governance Association in Spring 2023 which was very positive, and confirmed the Trust is "very effective and trustees are undertaking their core functions with diligence".

THE FUTURES TRUST

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Improving the outcomes for pupils at key Stage 2 so that attainment and progress are above national levels.
 - Improving the outcomes for pupils at Key Stage 4 so that attainment and progress are above national levels in all schools that have been in the Academy Trust for more than 2 years.
 - Stoke Park School, Keresley Newland Primary Academy and The Hinckley School received an Ofsted judgements of Good. In all cases their last inspection before joining the Academy Trust was Inadequate.
 - Improving the outcomes for pupils at Key Stage 5 so that attainment and progress are broadly in line with national despite inclusive entry requirements.
 - Enhancing staffing capacity and expertise both within the Central Team and at school level to ensure that it is well placed to deliver the best possible outcomes for students and deliver sustainable growth and leadership quality for the Academy Trust as a whole.
 - Providing Exceptional Learning Experiences for our learners such as 'Robot Wars' and Pathways to Oxbridge.
 - Sharing best practice with schools in our Academy Trust, the local community and beyond.
-
- Continuous professional development and learning to develop current and future leaders across the Academy Trust including through the leadership of the Futures Teaching Alliance and Futures Education Institute which support over 60 schools regionally.
 - Reviewing best value procurement of services across the Academy Trust to achieve economies of scale and consistent outcomes.
 - Enhancing efficiency and effectiveness through a programme which has generated significant contract savings.
 - SCA funding which has a primary focus of energy efficiency; £1.3m of works have been carried out during the year across the Academy Trust schools, some of this to replace single glazing with double glazing, energy efficient boilers and roof repairs.
 - Improving the quality of the estate; the Academy Trust has been involved in managing £7m of estate projects.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. During the period 1 September 2022 – 31 August 2023, two Internal Scrutiny Reviews (ISR) were undertaken. The focus of these audits was Finance and Procurement, and Payroll.

Capacity to handle risk

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

THE FUTURES TRUST

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The Futures 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 trustees 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;
- benchmarking performance against national standard metrics;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has previously considered the need for a specific internal audit function and decided to appoint MLG internal audit specialists to perform additional checks.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the MAT's financial systems. On an annual basis, the internal auditor reports to the Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The internal auditor conducts an appraisal of the Academy Trust's system of internal controls focusing on financial management. The internal auditor delivered their schedule of work as planned and no fundamental control weaknesses were identified.

Managing conflicts of interest

It is the Academy Trust's policy to maintain a register of business and pecuniary interests for all members, Trustees, governors, staff in the Central Team and senior employees including:

- directorships, partnerships and employments with businesses;
- Trusteeships and governorships at other educational institutions and charities;
- for each interest: the name and nature of the business; the nature of the interest and the date the interest began.

The register identifies any material interests arising from close family relationships between the Academy Trust's members, Trustees or local governors. It identifies relevant material interests arising from close family relationships between those individuals and employees. The Register of Business interests is published on the Academy Trust website.

It is a standing agenda item at Board and Committee meetings that Trustees declare any conflict of interest, both in relation to matters to be discussed at that meeting but also as a reminder for a more general declaration.

Review of effectiveness

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

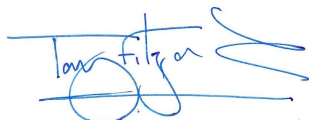
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

THE FUTURES TRUST

GOVERNANCE STATEMENT (CONTINUED)

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 13 December 2023 and signed on its behalf by:



Mr A Fitzpatrick

Chair of Board from 19 October 2022

THE FUTURES TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Futures Trust, I have considered my responsibility to notify the Academy Trust board of Trustees and the Education and Skills Funding Agency ('ESFA') of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement, 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 2022.

As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust's board of Trustees 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 2022.

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



Mr S Toor

Accounting Officer

13 December 2023

THE FUTURES TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

In preparing these financial statements, the Trustees are required to:


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

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

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

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

Approved by order of the members of the board of trustees on 13 December 2023 and signed on its behalf by:



Mr A Fitzpatrick
Chair of Board from 19 October 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FUTURES TRUST

Opinion

We have audited the financial statements of The Futures Trust (the "charitable company") for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the Trustees' Report, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared in consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FUTURES TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

- 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 25, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE FUTURES TRUST (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Trust Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

Paul Oxtoby

Paul Oxtoby (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

Date: 19 December 2023

THE FUTURES TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2023	Total 2022
	Notes	£'000	£'000	£'000	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	-	59	5,961	6,020	12,045
Donations - transfer from local authority on conversion		-	-	-	-	3,773
Charitable activities:						
- Funding for educational operations	4	-	43,099	-	43,099	38,648
Other trading activities	5	1,045	74	-	1,119	912
Investments	6	1	-	-	1	-
Total		1,046	43,232	5,961	50,239	55,378
Expenditure on:						
Raising funds	7	399	-	-	399	240
Charitable activities:						
- Educational operations	8	277	43,046	1,791	45,114	42,256
Total	7	676	43,046	1,791	45,513	42,496
Net income		370	186	4,170	4,726	12,882
Other recognised gains/(losses)						
Actuarial gains on defined benefit schemes	26	-	5,026	-	5,026	23,627
Net movement in funds		370	5,212	4,170	9,752	36,509
Reconciliation of funds						
Total funds brought forward		1,206	(10,135)	75,753	66,824	30,315
Total funds carried forward		1,576	(4,923)	79,923	76,576	66,824


THE FUTURES TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023	2022
	Notes	£'000	£'000
Fixed assets			
Tangible assets	13	78,889	73,754
Current assets			
Debtors	14	1,821	3,853
Cash at bank and in hand		5,864	4,249
		7,685	8,102
Current liabilities			
Creditors: amounts falling due within one year	15	(4,376)	(4,584)
Net current assets		3,309	3,518
Total assets less current liabilities		82,198	77,272
Creditors: amounts falling due after more than one year	16	(230)	(278)
Provisions for liabilities	17	(1,108)	(1,462)
Net assets before defined benefit pension scheme liability		80,860	75,532
Defined benefit pension scheme liability	26	(4,284)	(8,708)
Total net assets		76,576	66,824
Funds of the Academy Trust:			
Restricted funds	19		
- Restricted fixed asset funds		79,923	75,753
- Restricted income funds		469	35
- Pension provision reserve		(1,108)	(1,462)
- Pension reserve		(4,284)	(8,708)
Total restricted funds		75,000	65,618
Unrestricted income funds	19	1,576	1,206
Total funds		76,576	66,824

The financial statements on pages 29 to 58 were approved by the board of trustees and authorised for issue on 13 December 2023 and are signed on their behalf by:



Mr A Fitzpatrick
Chair of Board of Trustees

THE FUTURES TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	23		2,627		1,065
Cash funds transferred on conversion			-		350
			<u>2,627</u>		<u>1,415</u>
Cash flows from investing activities					
Interest		1		-	
Capital grants from DfE Group		1,570		6,709	
Capital funding received from local authority		266		-	
Purchase of tangible fixed assets		(2,801)		(7,050)	
		<u></u>		<u></u>	
Net cash used in investing activities			(964)		(341)
Cash flows from financing activities					
Repayment of Government loans		(20)		-	
Repayment of Salix loans		(28)		-	
Receipt of Salix loans		-		126	
		<u></u>		<u></u>	
Net cash (used in)/provided by financing activities			(48)		126
			<u></u>		<u></u>
Net increase in cash and cash equivalents in the reporting period			1,615		1,200
Cash and cash equivalents at beginning of the year			4,249		3,049
			<u></u>		<u></u>
Cash and cash equivalents at end of the year			<u>5,864</u>		<u>4,249</u>

THE FUTURES TRUST

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

1 Accounting policies

General information

The Futures Trust is a charitable company (the 'Academy Trust'). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' Report.

Basis of preparation

The financial statements of the Academy Trust 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

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.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

Management has reassessed the going concern assumption, including the impact of new schools joining the Academy Trust post year end, and confirm that it remains appropriate based on the strong cash and net asset position which enables it to meet its liabilities as they fall due. 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, including a review of sensitised forecasts to 31 August 2024, 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Donated goods, facilities and services

Gifts in kind, being the gift of a fixed asset, are 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 services are measured on the basis of the value of the gift to the Academy Trust.

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 are allocated on the portion of the asset's use.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the Statement of Financial Activities as incurred.

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 that require 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.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold properties	50 years
Long leasehold property	50 years
Computer equipment	3 years
Fixtures, fittings and equipment	10 years
Motor vehicles	5 years

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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

With respect to the buildings from which the Academy Trust operates which are subject to a PFI agreement, these are legally owned by the Council of the City of Coventry and the relevant academies are able to use the buildings under the terms of a licence to occupy. The licence to occupy gives the right to use these buildings and the substance of the licence is that this will be on an ongoing basis reflecting the historic arrangements in place therefore substantially all the risks and rewards of ownership have not been transferred to the academies and the assets have not been recognised within tangible fixed assets.

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 as a financing cost in the period it arises in the Statement of Financial Activities and is allocated to the appropriate expenditure heading.

Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

Financial instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Academy Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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 chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 projected unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies (Continued)

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 reporting date. The amounts charged to net income 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 as other recognised gains and losses.

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

The LGPS assets are managed by the scheme trustees at scheme level, and the determination / allocation of assets to each individual employer in the scheme is managed by the scheme actuary. The assets are allocated to each employer for accounting purposes based on the valuation of the assets at the latest triennial valuation as adjusted for subsequent contributions received from the employer, asset returns and benefit payments made (either on a cash basis or actuarial basis).

The retirement benefit obligation recognised represents the deficit or surplus in the defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Fund accounting

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

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

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

Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 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 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement (Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The Academy Trust has included an enhanced pension provision in the financial statements in the current year. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the Statement of Financial Activities in the year that the provision is created. In subsequent years, a charge is made to the provision in the Balance Sheet. The provision is determined using a variety of assumptions. Any changes in these assumptions would impact on the carrying value of this provision.

Critical areas of judgement

The Trustees have reviewed the financial statements and consider that there are no critical judgements applied in these financial statements other than the assumptions detailed above, and the use of the going concern basis of accounting.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Donated fixed assets	-	4,125	4,125	5,301
Capital grants	-	1,836	1,836	6,709
Other donations	-	59	59	35
	<hr/>	<hr/>	<hr/>	<hr/>
	-	6,020	6,020	12,045
	<hr/>	<hr/>	<hr/>	<hr/>

The income from donations and capital grants was £6,020,000 (2022: £12,045,000) of which £59,000 was restricted (2022: £35,000) and £5,961,000 was restricted fixed assets (2022: £12,010,000).

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	35,564	35,564	32,669
Other DfE/ESFA grants:				
- Pupil premium	-	2,116	2,116	1,941
- Mainstream schools additional grant	-	494	494	-
- Supplementary grant	-	969	969	403
- Teachers pension employer contribution grant and teachers pay grant	-	179	179	233
- PE & Sports grant	-	113	113	65
- Universal infant free school meals	-	170	170	147
- Others	-	1,455	1,455	1,708
	-	41,060	41,060	37,166
Other government grants				
Local authority grants	-	1,201	1,201	999
Special educational projects	-	67	67	26
	-	1,268	1,268	1,025
COVID-19 additional funding (DfE / ESFA)				
Catch-up/recovery premium	-	434	434	392
Other DfE/ESFA COVID-19 funding	-	337	337	65
	-	771	771	457
	-	43,099	43,099	38,648

The income from funding for educational operations was £43,099,000 (2022: £38,648,000) of which £43,099,000 was restricted (2022: £38,648,000)

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 COVID-19 additional funding (DfE / ESFA).

The Academy Trust received £434,000 (2022: £392,000) of funding for catch-up/recovery premium and costs incurred in respect of this funding totalled £434,000 (2022: £357,000), with the remaining £nil (2022: £35,000) to be spent in 2023/24.

In addition, the Academy Trust received £337,000 (2022: £65,000) of Local Authority funding to aid the Academy Trust with the provision of teaching services during the pandemic to disabled students. Costs incurred in respect of this funding totalled £337,000 (2022: £65,000).

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Lettings income	4	-	4	4
Event income	199	-	199	213
Other income	842	74	916	695
	<u>1,045</u>	<u>74</u>	<u>1,119</u>	<u>912</u>

The income from other trading activities was £1,119,000 (2022: £912,000) of which £1,045,000 was unrestricted (2022: £912,000) and £74,000 was restricted (2022: £nil).

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Interest from short term deposits	1	-	1	-

The income from funding for investment income was £1,000 (2022: £nil) of which £1,000 was unrestricted (2022: £nil).

7 Expenditure

	Staff costs £'000	Non Pay Expenditure		Total 2023 £'000	Total 2022 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	399	399	240
Academy's educational operations					
- Direct costs	27,290	-	3,929	31,219	28,568
- Allocated support costs	6,842	4,399	2,654	13,895	13,688
	<u>34,132</u>	<u>4,399</u>	<u>6,982</u>	<u>45,513</u>	<u>42,496</u>

The expenditure on raising funds was £399,000 (2022: £240,000) of which £399,000 was unrestricted (2022: £240,000).

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure (Continued)

Net income/(expenditure) for the year includes:	2023 £'000	2022 £'000
Operating lease rentals	303	219
PFI schemes	135	135
Depreciation of tangible fixed assets	1,785	528
Loss on disposal of fixed assets	6	-
Net interest on defined benefit pension liability	374	502
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	37	33
- Other services	13	10
- Other assurance services	4	2
- Taxation compliance	3	2
	<u> </u>	<u> </u>

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Direct costs				
Educational operations	277	30,942	31,219	28,568
Support costs				
Educational operations	-	13,895	13,895	13,688
	<u>277</u>	<u>44,837</u>	<u>45,114</u>	<u>42,256</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The expenditure on charitable activities was £45,114,000 (2022: £42,256,000) of which £277,000 was unrestricted (2022: £1,077,000), £43,046,000 was restricted (2022: £40,651,000) and £1,791,000 was restricted fixed assets (2022: £528,000).

	2023 £'000	2022 £'000
Analysis of support costs		
Support staff costs	6,866	8,174
Depreciation	1,791	528
Technology costs	811	830
Premises costs	2,608	2,477
Legal costs	60	152
Other support costs	1,759	1,527
	<u>13,895</u>	<u>13,688</u>
	<u> </u>	<u> </u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff

Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	24,881	22,901
Social security costs	2,553	2,328
Pension costs	5,628	7,337
Staff costs - employees	33,062	32,566
Agency staff costs	919	965
Staff restructuring costs	151	88
	34,132	33,619
Staff development and other staff costs	24	-
Total staff expenditure	34,156	33,619

Staff restructuring costs comprise:

Redundancy payments	86	1
Severance payments (including special severance payments)	65	87
	151	88

Included in staff restructuring costs are special severance payments totalling £7,971 (2022: £87,101). Individually, the payments were: £351, £6,105, £451 and £1,064 .

Exit payments

£0 - £25,000 10

Staff numbers

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

	2023 Number	2022 Number
Teachers	386	359
Administration and support	422	424
Management	16	16
	824	799

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

9 Staff (Continued)

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 Number	2022 Number
Teachers	363	341
Administration and support	304	301
Management	16	16
	<u>683</u>	<u>658</u>

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	18	18
£70,001 - £80,000	8	4
£80,001 - £90,000	3	2
£90,001 - £100,000	2	4
£100,001 - £110,000	4	1
£140,001 - £150,000	-	1
£160,001 - £170,000	1	-
	<u>1</u>	<u>-</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 and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,464,519 (2022: £1,305,155).

10 Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- others as arising.

The Academy Trust charges for these services based on 5% for secondary schools and 3.5% for primary schools.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

10 Central services (Continued)

The amounts charged during the year were as follows:	2023 £'000	2022 £'000
President Kennedy School	533	502
Barr's Hill School	284	252
Parkgate Primary School	96	97
Keresley Grange Primary Academy	44	43
Keresley Newland Primary Academy	24	22
Stoke Park School	312	299
The Hinckley School	312	282
Camp Hill Primary School	70	34
	<u>1,675</u>	<u>1,531</u>

11 Trustees' remuneration and expenses

During the year, one trustee was paid remuneration or received other benefits from employment with the Academy Trust. The principal only receives remuneration in respect of services they provide undertaking the role of principal under their contract of employment, and not in respect of their services as trustee. Other trustees were not paid any remuneration.

The value of Trustees' remuneration and other benefits was as follows:

The CEO received remuneration of £161,250 in 2023 (2022: £145,000) and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £38,184 (2022: £34,220).

One (2022: One) governor was reimbursed mileage expenses and printing expenses during the period of £224 (2022: £101 mileage expenses).

12 Trustees and officers' insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides 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 FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Freehold properties	Long leasehold property	Computer equipment	Fixtures, fittings and equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Cost						
At 1 September 2022	19,247	58,132	74	1,231	48	78,732
Donated fixed asset	4,125	-	-	-	-	4,125
Additions	-	2,419	262	52	68	2,801
Disposals	-	-	-	-	(20)	(20)
At 31 August 2023	23,372	60,551	336	1,283	96	85,638
Depreciation						
At 1 September 2022	1,591	2,860	5	488	34	4,978
On disposals	-	-	-	-	(14)	(14)
Charge for the year	392	1,185	70	126	12	1,785
At 31 August 2023	1,983	4,045	75	614	32	6,749
Net book value						
At 31 August 2023	21,389	56,506	261	669	64	78,889
At 31 August 2022	17,656	55,272	69	743	14	73,754

Long leasehold properties are leased from Coventry City Council, relating to the land and buildings at the President Kennedy School, Parkgate Primary School and Keresley Grange Academy, they are leased for a period of 125 years for a peppercorn rent, if demanded. No such charges have been made in the current year (2022: £nil).

Long leasehold properties are leased from Leicestershire County Council and John Cleveland Foundation, relating to the land and buildings at The Hinckley School, they are leased for a period of 125 years for a peppercorn rent, if demanded. No such charges have been made in the current year (2022: £nil).

Long leasehold properties are leased from Warwickshire County Council, relating to the land and buildings at Keresley Newland and Camp Hill Primary School, they are leased for a period of 125 years for a peppercorn rent, if demanded. No such charges have been made in the current year (2022: £nil).

The additions in freehold properties relates to is a new freehold property donated to Barr's Hill School by Coventry City Council at a fair value of £4,125,000.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

14 Debtors

	2023	2022
	£'000	£'000
Trade debtors	48	41
Other debtors	469	666
Prepayments and accrued income	1,304	3,146
	<u>1,821</u>	<u>3,853</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£'000	£'000
Government loans	20	20
Salix loans	28	28
Trade creditors	1,058	1,969
Other taxation and social security	629	586
Other creditors	745	679
Accruals and deferred income (see note 18)	1,896	1,302
	<u>4,376</u>	<u>4,584</u>

16 Creditors: amounts falling due after more than one year

	2023	2022
	£'000	£'000
Government loans	160	180
Salix loans	70	98
	<u>230</u>	<u>278</u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Creditors: amounts falling due after more than one year (Continued)

	2023 £'000	2022 £'000
Analysis of loans		
Not wholly repayable within five years by instalments	180	200
Wholly repayable within five years	98	126
	<u>278</u>	<u>326</u>
Less: included in current liabilities	(48)	(48)
	<u>230</u>	<u>278</u>
Loan maturity		
Debt due in one year or less	48	48
Due in more than one year but not more than two years	48	48
Due in more than two years but not more than five years	102	130
Due in more than five years	80	100
	<u>278</u>	<u>326</u>

At the year end, the Academy Trust has a DfE loan amounting to £180,000 (2022: £200,000). The loan terms are 10 years at an interest rate of nil%. The Academy Trust also has Salix loans amounting to £98,000 (2022: £126,000). The loan terms are 5 and 6 years at an interest rate of nil%.

17 Provision

Included within the financial statements is an enhanced pension provision relating to the cost of staff who have already left the Academy Trust's employment. The provision has been recalculated at 31 August 2023 as £1,108k (2022: £1,462k) in accordance with guidance issued by the funding bodies.

The principal assumption for this calculation is using a discount rate of 5.00% (2022: 3.30%) and price inflation of 2.80% (2022: 2.90%).

	Enhanced Pension provision £'000
At 1 September 2022	1,462
Less benefits paid	(55)
Plus interest cost	48
Actuarial gains	(347)
At 31 August 2023	<u><u>1,108</u></u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

18 Deferred income

	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	540	345
	<u> </u>	<u> </u>
Deferred income at 1 September 2022	345	72
Released from previous years	(345)	(72)
Resources deferred in the year	540	345
	<u> </u>	<u> </u>
Deferred income at 31 August 2023	540	345
	<u> </u>	<u> </u>

Deferred income relates to performance related grants, universal free school meals, trip income and other grants received in advance specifically for future periods.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	-	35,564	(35,106)	-	458
Pupil premium	-	2,116	(2,116)	-	-
Supplementary grant	-	969	(969)	-	-
Teachers pension employer contribution grant	-	179	(179)	-	-
Universal infant free school meals	-	170	(170)	-	-
Other Dfe/ESFA grants	-	1,514	(1,514)	-	-
Catch-up premium	35	434	(469)	-	-
Other DfE/ESFA COVID-19 funding	-	337	(337)	-	-
Other government grants	-	1,268	(1,257)	-	11
Other restricted funds	-	74	(74)	-	-
Pension provision reserve	(1,462)	-	354	-	(1,108)
Mainstream schools additional grant	-	494	(494)	-	-
PE & Sports grant	-	113	(113)	-	-
Pension reserve	(8,708)	-	(602)	5,026	(4,284)
	<u>(10,135)</u>	<u>43,232</u>	<u>(43,046)</u>	<u>5,026</u>	<u>(4,923)</u>
Restricted fixed asset funds					
Assets inherited on transfer, gifted assets and capital grants	75,753	5,961	(1,791)	-	79,923
	<u>75,753</u>	<u>5,961</u>	<u>(1,791)</u>	<u>-</u>	<u>79,923</u>
Total restricted funds	<u>65,618</u>	<u>49,193</u>	<u>(44,837)</u>	<u>5,026</u>	<u>75,000</u>
Unrestricted funds					
General funds	1,206	1,046	(676)	-	1,576
	<u>1,206</u>	<u>1,046</u>	<u>(676)</u>	<u>-</u>	<u>1,576</u>
Total funds	<u>66,824</u>	<u>50,239</u>	<u>(45,513)</u>	<u>5,026</u>	<u>76,576</u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds (Continued)

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

Restricted general funds

This fund represents grants received for the Academy Trust's operational activities and development. This includes the pension reserve which represents the potential liability due by the Academy Trust at the year end.

Restricted fixed asset funds

This fund represents the net book value of fixed assets that the Academy Trust has purchased out of grants received and have been transferred on conversion.

Unrestricted funds

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

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

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds (Continued)

Funds prior year

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	-	32,669	(32,669)	-	-
Pupil premium	-	1,941	(1,941)	-	-
Teachers pay grant	-	61	(61)	-	-
Teachers pension employer contribution grant	-	172	(172)	-	-
Universal infant free school meals	-	147	(147)	-	-
Other grants	-	1,773	(1,773)	-	-
Catch-up premium	-	392	(357)	-	35
Other DfE/ESFA COVID-19 funding	-	65	(65)	-	-
Other government grants	-	1,025	(1,025)	-	-
Supplementary grant	-	403	(403)	-	-
Other restricted funds	-	78	(78)	-	-
Pension provision reserve	(1,732)	-	270		(1,462)
Pension reserve	(29,147)	(958)	(2,230)	23,627	(8,708)
	<u>(30,879)</u>	<u>37,768</u>	<u>(40,651)</u>	<u>23,627</u>	<u>(10,135)</u>
Restricted fixed asset funds					
Assets inherited on transfer, gifted assets and capital grants	59,458	16,391	(528)	432	75,753
	<u>59,458</u>	<u>16,391</u>	<u>(528)</u>	<u>432</u>	<u>75,753</u>
Total restricted funds	<u>28,579</u>	<u>54,159</u>	<u>(41,179)</u>	<u>24,059</u>	<u>65,618</u>
Unrestricted funds					
General funds	1,736	1,219	(1,317)	(432)	1,206
	<u>1,736</u>	<u>1,219</u>	<u>(1,317)</u>	<u>(432)</u>	<u>1,206</u>
Total funds	<u>30,315</u>	<u>55,378</u>	<u>(42,496)</u>	<u>23,627</u>	<u>66,824</u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds (Continued)

Total funds analysis by academy

	2023	2022
	£'000	£'000
Fund balances at 31 August 2023 were allocated as follows:		
President Kennedy School	1,575	1,162
Barr's Hill School	396	221
Parkgate Primary School	395	359
Keresley Grange Primary Academy	(219)	(242)
Keresley Newland Primary Academy	(213)	(121)
Stoke Park School	1,597	1,199
The Hinckley School	-	-
Camp Hill Primary School	306	297
Central services	(1,792)	(1,634)
	<u>2,045</u>	<u>1,241</u>
Total before fixed assets fund and pension reserve	2,045	1,241
Restricted fixed asset fund	79,923	75,753
Pension reserve	(4,284)	(8,708)
Pension provision reserve	(1,108)	(1,462)
	<u>76,576</u>	<u>66,824</u>
Total funds	<u><u>76,576</u></u>	<u><u>66,824</u></u>

Academies which are in a deficit position are being closely monitored and detailed plans are in place to return these academies to a balanced position in the medium to long term.

Under the agreement to transfer the assets and operations of The Hinckley School into the Academy Trust, the Department of Education have agreed to provide revenue and capital funding for the academy subject to the Academy Trust meeting certain criteria. As these criteria are based on future events and actions which cannot be quantified at this point, none of this future income has been recognised in these accounts.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

19 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
President Kennedy School	7,785	1,477	1,069	1,232	11,563	11,062
Barr's Hill School	4,124	807	704	698	6,333	5,709
Parkgate Primary School	2,244	520	296	515	3,575	3,574
Keresley Grange Primary Academy	998	211	125	217	1,551	1,488
Keresley Newland Primary Academy	821	113	143	178	1,255	986
Stoke Park School	4,110	898	598	937	6,543	6,193
The Hinckley School	4,748	1,391	560	1,012	7,711	7,563
Camp Hill Primary School	1,945	287	192	353	2,777	1,379
Central services	514	933	242	129	1,818	1,784
	<u>27,289</u>	<u>6,637</u>	<u>3,929</u>	<u>5,271</u>	<u>43,126</u>	<u>39,738</u>

20 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed asset Funds £'000	Total Funds £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	78,889	78,889
Current assets	1,478	5,075	1,132	7,685
Current liabilities	28	(4,376)	(28)	(4,376)
Non-current liabilities	70	(230)	(70)	(230)
Provisions for liabilities	-	(1,108)	-	(1,108)
Pension scheme liability	-	(4,284)	-	(4,284)
Total net assets	<u>1,576</u>	<u>(4,923)</u>	<u>79,923</u>	<u>76,576</u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Analysis of net assets between funds (Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	73,754	73,754
Current assets	1,080	4,897	2,125	8,102
Current liabilities	28	(4,584)	(28)	(4,584)
Non-current liabilities	98	(278)	(98)	(278)
Provisions for liabilities	-	(1,462)	-	(1,462)
Pension scheme liability	-	(8,708)	-	(8,708)
Total net assets	1,206	(10,135)	75,753	66,824

21 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the financial statements	-	1,427

22 Long-term commitments

Operating leases

At 31 August 2023, the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £'000	2022 £'000
Amounts due within one year	114	88
Amounts due between one and five years	361	55
	475	143

Other contractual commitments

At 31 August 2023, the total of the Academy Trust's future minimum lease payments under other contractual commitments was:

	2023 £'000	2022 £'000
Amounts due within one year	135	135
Amounts due between one and five years	540	540
Amounts due after five years	1,745	1,880
	2,420	2,555

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

22 Long-term commitments (Continued)

There is a PFI contract in place for a school building at the President Kennedy site, which is subject to a supplementary agreement with the Secretary of State for Education.

23 Reconciliation of net income to net cash flow from operating activities

	Notes	2023 £'000	2022 £'000
Net income for the reporting period (as per the statement of financial activities)		4,726	12,882
Adjusted for:			
Net surplus on conversion to academy		-	(3,773)
Capital grants from DfE and other capital income		(5,961)	(12,010)
Interest receivable	6	(1)	-
Pension costs less contributions payable	26	228	1,728
Pension scheme finance costs	26	374	502
Depreciation of tangible fixed assets		1,785	528
Loss on disposal of fixed assets		6	-
(Decrease) in provisions		(354)	(270)
Movements in working capital:			
Decrease in debtors		2,032	174
(Decrease)/increase in creditors		(208)	1,304
Net cash provided by operating activities		2,627	1,065

24 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	Other non- cash changes £'000	31 August 2023 £'000
Cash	4,249	1,615	-	5,864
Loans falling due within one year	(48)	48	(48)	(48)
Loans falling due after more than one year	(278)	-	48	(230)
	<u>3,923</u>	<u>1,663</u>	<u>-</u>	<u>5,586</u>

25 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 he or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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 West Midlands Pension Fund (WMPF), Leicestershire County Council Pension Fund and the Warwickshire Pension Fund (WPF). Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

Contributions amounting to £677,159 (2022: £610,460) were payable to the schemes at 31 August 2023 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 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 and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

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 below the information available on the scheme.

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 2023 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 in accordance with The Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 and the Employer Contribution Rate was assessed using agreed assumptions in line with the Directions and was accepted at the original assessed rate as there was no cost control mechanism breach. The valuation report was published by the Department for Education on 26 October 2023.

The key results of the valuation are:

- Total scheme liabilities for service (the capital sum needed at 31 March 2020 to meet the stream of future cash flows in respect of benefits earned) of £262 billion
- Value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £222 billion
- Notional past service deficit of £39.8 billion (2016 £22 billion)
- Discount rate is 1.7% in excess of CPI (2016 2.4% in excess of CPI) (this change has had the greatest financial significance)

As a result of the valuation, new employer contribution rates have been set at 28.6% of pensionable pay from 1 April 2024 until 31 March 2027 (compared to 23.68% under the previous valuation including a 0.08% administration levy).

The employer's pension costs paid to the TPS in the period amounted to £3,794,000 (2022: £3,199,000).

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

26 Pension and similar obligations (Continued)

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24% - 32.5% for employers and 5.5 - 12.5% for employees.

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

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	1,953	2,410
Employees' contributions	476	413
Total contributions	2,429	2,823

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2022 updated to 31 August 2023 by a qualified independent actuary.

	2023 %	2022 %
Rate of increase in salaries	3.50 - 4.00	3.70 - 4.10
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.10

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

	2023 Years	2022 Years
Retiring today		
- Males	18.40 - 20.20	21.20 - 21.60
- Females	23.00 - 24.80	23.60 - 24.10
Retiring in 20 years		
- Males	20.90 - 21.70	22.90 - 22.70
- Females	24.50 - 25.60	25.40 - 25.90

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

26 Pension and similar obligations (Continued)

The Academy Trust's share of the assets in the scheme	2023 Fair value £'000	2022 Fair value £'000
Equities	16,267	15,517
Other bonds	6,500	5,713
Cash/liquidity	796	769
Property	1,979	2,062
	<u> </u>	<u> </u>
Total fair value of assets	25,542	24,061
	<u> </u>	<u> </u>

The actual return on scheme assets was (£459,000) (2022: (£485,000)).

Amount recognised in the statement of financial activities	2023 £'000	2022 £'000
Current service cost	2,089	4,138
Net interest cost	374	502
Past service costs	92	-
	<u> </u>	<u> </u>
Total operating charge	2,555	4,640
	<u> </u>	<u> </u>

Changes in the present value of defined benefit obligations	2023 £'000
At 1 September 2022	32,769
Current service cost	2,089
Interest cost	1,437
Employee contributions	476
Actuarial gain	(6,548)
Benefits paid	(489)
Past service cost	92
	<u> </u>
At 31 August 2023	29,826
	<u> </u>

THE FUTURES TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

26 Pension and similar obligations (Continued)

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

	2023 £'000
At 1 September 2022	24,061
Interest income	1,063
Return on plan assets (excluding net interest on the net defined pension liability)	(1,522)
Employer contributions	1,953
Employee contributions	476
Benefits paid	(489)
	<hr/>
At 31 August 2023	25,542
	<hr/> <hr/>

27 Related party transactions

Key management personnel remuneration is disclosed in note 9.

M Thomas, the spouse of P Thomas, the Chief Executive Officer, is employed by the Academy Trust as a teacher. The appointment was made in open competition and the Chief Executive Officer was not involved in the decision making process regarding appointment. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to the Chief Executive Officer.

J Toor, the spouse of S Toor, the Deputy Chief Executive Officer, is employed by the Academy Trust as a teacher. The appointment was made before Stoke Park joined the Academy Trust, in open competition and the Deputy Chief Executive Officer was not involved in the decision making process regarding appointment. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to the Deputy Chief Executive Officer.

28 Agency arrangements

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. In the year it received £60,154 (2022: £75,013) and disbursed £58,190 (2022: £45,909). An amount of £11,047 (2022: £9,083) is included in deferred income relating to undistributed funds that is repayable to ESFA.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FUTURES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 9 August 2021 and further to the requirements of the Education and Skills Funding Agency ('ESFA') as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by The Futures Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2022 to 2023 Annex B: Regularity Reporting. We are independent of The Futures Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of The Futures Trust's accounting officer and Trustees

The accounting officer is responsible, under the requirements of The Futures Trust's funding agreement with the Secretary of State for Education dated 1 March 2018 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of The Futures Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Trust Handbook 2022 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE FUTURES TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Use of our report

This report is made solely to The Futures Trust and the ESFA in accordance with the terms of our engagement letter dated 9 August 2021. Our work has been undertaken so that we might state to the The Futures 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 Futures Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

RSM UK Audit LLP

Chartered accountants

103 Colmore Row

Birmingham

B3 3AG

Dated: 19 December 2023
