



**Parallel Learning Trust
(A Company Limited by Guarantee)**

**Annual Report and Financial Statements
Year ended 31 August 2023**

**Company Registration Number:
08605705 (England and Wales)**

Parallel Learning Trust
(A company limited by guarantee)

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Reference and Administrative Details of The Academy Trust, its Directors and Advisors

Members	J Buckley (Appointed 19 January 2023) S Butcher C Dunn (Resigned 13 January 2023) D Heaton (Appointed 19 January 2023) C Malec D Ward (Appointed 19 January 2023)
Directors	J Alvis (Chair from 29 Sept 2022) J Fuller (Appointed 29 September 2022) P Grassi (Appointed 6 February 2023) D Heaton (Resigned as Trustee 2 Dec 2022) M Jordan (CEO and Accounting Officer) (resigned 20 September 2023) S Lamb S Lobo M Martell (Vice Chair from 29 September 2022) Dr I Nath G Rosato (Appointed 29 September 2022) K Swift (Appointed 14 November 2022) M Szoltysik (Appointed 6 February 2023)
Senior Management Team:	
Chief Executive Officer (CEO)	M Jordan (resigned 20 September 2023)
Chief Finance Officer	H Cardy
Director of Performance and Standards	M O'Donnell
Interim CEO and Accounting Officer	A Barry (appointed 28 September 2023)
Principal and Registered Office	Parallel Learning Trust Wandle Valley Academy, Welbeck Road, Carshalton, England, SM5 1LW
Company Registration No.	08605705 (England and Wales)
Independent Auditor	UHY Kent LLP trading as UHY Hacker Young Thames House, Roman Square Sittingbourne, Kent, ME10 4BJ
Bankers	Lloyds Bank PLC George Street, Croydon, CR9 2NS
Solicitors	Geldards LLP, Enterprise House 1-2 Hatfields London, SE1 9PG

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Directors' Report for the year ended 31 August 2023

The Directors (who are also Trustees of the charity for the purpose of the Charities Act) present their annual report together with the audited financial statements and Auditors' report of the Parallel Learning Trust (the Trust) for the period from 1 September 2022 to 31 August 2023.

The Directors confirm that the Annual Report and financial statements of the Academy Trust, comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005. The annual report serves the purposes of both as a Trustees' report and a Directors' report under company law.

The Parallel Learning Trust's principal activities are set out in its articles of association and the funding agreement.

The Parallel Learning Trust (the Trust) has been set up as an academy Trust under the standard multi-academy model (11 July 2013) and completed the conversion of the first two academy provisions, Kennington Park AP Academy and Park Campus AP Academy, on 1 July 2014.

The Trust was granted Academy Sponsor Status in February 2015 enabling the Trust to sponsor other alternative provision settings, special schools and primary schools. The Trust has subsequently worked with the Department for Education on a number of projects that have led to the Trust being named the preferred sponsor for three special schools: After ministerial approval, the Trust converted its first 'sponsored academy' in April 2016 and further AP and SEMH academies have joined the Trust since July 2017.

STRUCTURE, GOVERNANCE AND CONSTITUTION

The Trust is a company limited by guarantee and an exempt charity incorporated on 11 July 2013. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Directors of Parallel Learning Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Parallel Learning Trust and also makes itself known as PLT.

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

Members' Liability

Each member of the Trust 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.

Directors' Indemnities

A Director may benefit from any unlimited indemnity insurance, purchased at the Trust's expense through the ESFA Risk Protection Arrangement (RPA) Scheme, to cover the liability of the Directors, which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of duty or was committed by the Directors in reckless disregard to whether it was a breach of duty or not and provided also that any such insurance shall not extend to the costs of any successful defence to a criminal prosecution brought against the Directors in their capacity as Directors of the Parallel Learning Trust.

Method of Recruitment and Appointment or Election of Directors

The members may appoint up to 6 Directors.

The total number of Directors, including the Chief Executive, who are employees of the company shall not exceed one third of the total number of Directors. Directors may appoint co-opted Directors.

The term of office for any director shall be four years, save that:

- This time limit shall not apply to the Chief Executive
- The term of office may be shorter than four years for any co-opted Director, if the Directors determine this at the time of appointment of such a Director.

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Policies and Procedure Adopted for the Induction and Training of Directors

Potential Directors are recruited through:

- Recommendation
- Referral from a recruiting organisation
- Self-Referral
- Advertisement, following a skills audit which identifies gaps

Potential Directors will, in the first instance, be met by the Chief Executive and given an overview of the organisation from an operational perspective. They will be given background written information about the organisation and invited to interview with a panel including at least 1 Member and at least 1 representative from the Board and/or CEO to ascertain the following information:

- Skills
- Background
- Experience of working within a governance role
- Experience of working with young people, especially vulnerable children and those with learning disabilities

This meeting is a two-way process and the discussion should present the prospective Directors with an opportunity to find out more about being a Director for the Trust and decide whether or not they are still interested.

They will be asked at this stage to complete an application form and a DBS form if they wish to continue the process of appointment. Two references will be sought, directly following this meeting and on receipt of references and DBS check, recommendations will be made to the Board of Directors and if agreed the new candidate will be invited to attend the next available board meeting.

At this point, the new Director will be asked to:

- Complete and sign the declaration of interest form, to be retained by the Company Secretary
- Sign a declaration that they are eligible to serve as a Director
- Agree and sign two copies of the code of conduct, one to be retained by the Director and the other by the Company Secretary
- The new Director will be sent a letter of appointment. The Company Secretary will notify Companies House of the appointment.

Induction and Training of Directors

All Directors should receive:

- An organisational chart
- A copy of the previous year's annual report and financial report
- A copy of the memorandum and articles of association
- A copy of the previous board meeting minutes
- A copy of the business plan
- Charity Commission CC3 - The essential trustee: What you need to know
- Charity Commission CCI 0 - The Hall Marks of an Effective Charity
- Current Newsletter
- Copies of all the current up to date policies and procedures
- ESFA Academy Trust Handbook

All new Directors will be directed to attend:

- Safeguarding Training
- Staff induction Training

All new Directors will be encouraged to visit at least one of the Trust's Academies.

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Directors' Report for the year ended 31 August 2023

Ongoing Support and Training

Directors will be offered ongoing training opportunities and be kept up to date with Charity Commission guidance and policy news through Board meetings and via email.

They will be invited to attend training relevant to their role, such as:

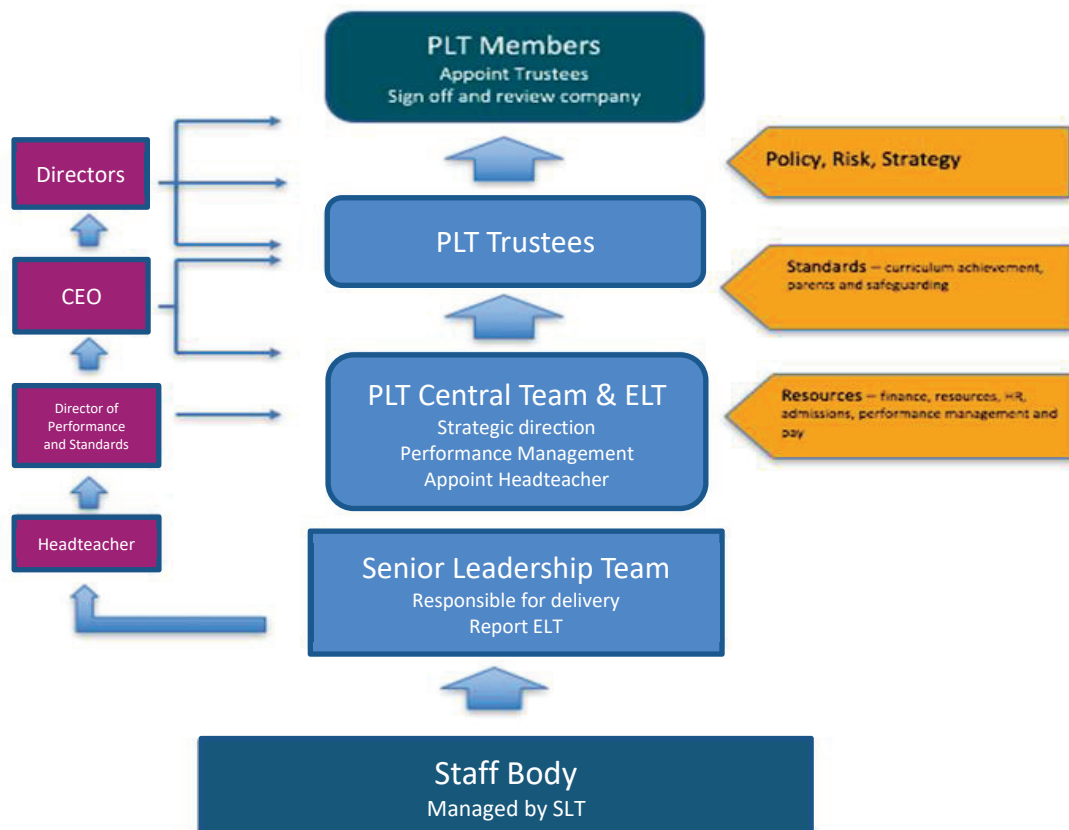
- Health and Safety
- Employment Law
- Financial management
- Diversity and Equal Opportunities

The training may be a face to face, in a collective setting, or through virtual on-line packages delivered via the corporate membership or the National Governors Association (NGA) or via training providers deemed appropriate by the board. Directors will be kept up to date, by email, on updates from the ESFA, Charity Commission, Companies House, Trustee Network or other national support organisation.

Organisational Structure

The organisational structure consists of three levels:

- Board of Directors
- Executive Leadership Team
- Local Governance



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The Executive Leadership Team consists of the Chief Executive, Headteachers/Heads of each academy, the Central PLT team and Chief Finance Officer. These leaders have operational responsibility of the academies at an executive level, implementing the policies laid down by the Board of Directors and reporting back to them. The ELT have extended senior leadership teams in each academy, with these managers responsible for the day-to-day operation of the academies, in particular organising the teaching staff, facilities and learners.

The Parallel Learning Trust Board and its committees act strategically by:

- Setting the aims and objectives for the Trust's academies
- Setting policies for achieving those aims and objectives
- Setting targets by which progress towards those aims and objectives can be measured
- Reviewing and monitoring progress in achieving the aims and objectives

In all of the above the Trust Board and its committees endeavoured to act in accordance with education law and considered advice given by the Chief Executive.

During the year the Trustees have identified transactions that did not meet the requirements in the procurement policy. These concerns have been shared with the auditors and ESFA as initial findings suggest value for money has not been evidenced and approvals have been given via management override.

The Role of the Chief Executive

The Chief Executive is a Director of the Parallel Learning Trust Board and is entitled to attend all committees of the Trust and its Local Governing Bodies.

The CEO, as the principal manager for the academies, is responsible for the internal organisation, management and control of the academies; for advising the Trust Board members and implanting the strategic framework, incorporated in the role of advising the Trust Board are:

- Formulating aims and objectives, for adoption, amendment or rejection by the Board
- Formulating policies and targets for the Trust Board to consider adopting
- Reporting to the Trust Board on progress

Delegation of the Trust Board Functions

The Trust Board has considered delegation of its responsibilities in light of the following:

- The requirement of the Trust Board to fulfil a largely strategic function within academies
- The responsibility of the Director of Performance and Standards for the internal organisation, management and control of academies
- The requirement of the Director of Performance and Standards to comply with any reasonable direction of the Trust Board members in carrying out a function delegated by the Board

The Trust Board's Committee Structure and Terms of Reference

The Terms of Reference for all committees are provided in the Terms of Reference Continuation Handbook (ToRCH). Committees may have powers delegated to them. Sub-committees do not have delegated powers. In general, the Trust Board establishes committees, and most sub-committees including the LGB following their committee structure model. The Academy Councils (formally known as Local Governing Board) as required may also establish sub-committees.

The Parallel Learning Trust Board may choose to set up Committees or Sub-Committees in whichever way is agreed will be most appropriate to each institution, taking separate areas of responsibility under separate Committees, or combining several areas under one committee.

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The Parallel Learning Trust Board has chosen the following model:

1. **Finance, Resources and Premises Committee responsibilities for:**
 - a) Health and Safety
 - b) Charges and Lettings
 - c) Staffing Overview
2. **Education and Standards Committee responsibilities for:**
 - a) Safeguarding
 - b) Discipline
3. **Audit & Risk Committee**
 - a) Compliance and risk
4. **Academy Councils**
 - a) Academic performance
 - b) Local safeguarding

The above committee structure will be reviewed annually.

Academy Councils

The Terms of Reference for all Academy Councils are provided in the Terms of Reference Continuation Handbook (ToRCH). The following are required sub committees of the Academy Councils:

- The Family Committee
- Local Finance/Budget Committee
- The Standards and Curriculum Sub-Committee

Arrangements for setting pay and remuneration of key management personnel

Pay sub-committee is responsible for agreeing the senior management pay and leadership of the school.

Related Parties and other Connected Charities and Organisations

The Trust had no known related party transactions during 2022-23.

The Trust follows a number of procedures to ensure potential conflicts of interest are identified, monitored and review appropriately.

An internal register of business interests is maintained with details of all trustees, governors and key management personnel with financial responsibility. This list is updated following committee meetings or other declarations of business interest. A request to declare any interests are a standing agenda item on all meetings. The finance department have access to the register of business interests and use this to update the finance system by adding (RP) to the end of any supplier name that is a related party.

The above process enables quick identification of any order that may be placed with a related party so that this can be reviewed to ensure there are no conflicts with those raising or approving the purchase.

A procurement summary form is available and best practice is that this is completed for all relevant purchases over 5K that outlines the decision for use of a particular supplier and ensures appropriate approval in line with the Trust's Procurement Policy. There needs to be total transparency within this process and all employees should be assured that where this is not in place, they are protected in line with the whistleblowing policy if they disclose deviation from this process.

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OBJECTIVES AND ACTIVITIES

Objects and Aims

The Company's object 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:

- Schools ("the mainstream Academies") offering a broad and balanced curriculum;
- Educational institutions which are principally concerned with providing full time or part time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative Academies"); and
- Schools specifically organised to make special education provision for pupils with Special Educational Needs ("the Special Academies").

Objectives, Strategies and Activities

The Strategic Objectives are summarised as follows:

1. To review, evaluate and improve Governance at strategic Board level
2. Improve standard of financial awareness, skills and monitoring across all academies providing appropriately detailed information to Academy Councils and the Board
3. To build a 'family' of Good and Outstanding cross-phase Academies that provide the best possible outcomes for pupils
4. Continue to build transferable leadership and infrastructure models for the successful delivery of learning in existing and new sponsored academies.
5. These strategic objectives are underpinned by four key priorities for our schools and services.

Public Benefit

The Directors of the Trust confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable trust's objectives and aims and in planning future activities for the year. The Directors consider that the charitable trust's aims are demonstrably to the public benefit.

STRATEGIC REPORT

Achievements and Performance

Key Performance Indicators

The Directors use the following key performance indicators to assess the success of the activities of The Parallel Learning Trust.

Standards of Achievement

1. Assessment information, indicating rates of progress for individuals and groups, including pupils eligible for pupil premium funding.
2. Achievement at the end of key stage in line with national expectation.

Quality of Teaching

1. Teaching profile based upon lesson observation judgements
2. Tracking of pupil progress
3. Monitoring of marking and presentation

Behaviour and Safety

1. Behaviour records, including the measurement of progress against scales of Behavioural Competencies and incidents of bullying and racial harassment.
2. Attendance rates, including lateness and persistent absence

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3. Child protection and safeguarding audits
4. Pupil, parent/carer and staff surveys

Leadership and Management

1. Impact of leadership and management on standards of achievement and the quality of teaching
2. Staff development processes, including performance management
3. Ofsted inspections
4. Academy and/or the Trust commissioned reviews
5. Academy self-evaluation processes
6. Quality marks and awards
7. Impact or support on external partners
8. Relationship with commissioners (especially schools in supporting early intervention and reintegration) as seen through the demand for pupil places.
9. Budget monitoring, analysis and future projection

The Key Performance Indicators for the Trust relate to standards of achievement within each academy.

PLT Academy performance by Ofsted judgement criteria and QA

Academy	Current Ofsted Judgement Areas. (QA judgement)				
	Overall effectiveness	Leadership and management	Quality of Education	Behaviour & Attitudes	Personal Development
Ramsden Hall Academy Residential Inspection (NB: Ramsden didn't have QA because of Ofsted inspection).	2 2(1)	2	2	2	2
Sutton House Academy	3(2)	2(2)	3(2)	3(2)	2(2)
Victory Park Academy	3(2)	3(2)	3(2)	2(2)	2(2)
Inspire Academy	2 (2)	2(2)	2(2)	2(2)	2(2)
Evolve * Not had Ofsted	(3)	(2)	(3)	2	2
Wandle Valley Academy	2 (2)	2(2)	2(2)	2(2)	2(1)
1 - Outstanding 2 - Good 3 - Requires Improvement 4 - Inadequate					

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Quality of Education	Work Scrutiny	Learning Walk	Mock Exam	Pupil Progress Meeting	Internal Moderation	External Moderation	Questionnaire/Survey for Teaching and Learning	Teaching and Learning Meetings/CPD
Autumn 1	28	73	4	3	6	0	4	23
Autumn 2	17	31	2	5	1	3	3	19
Spring 1	29	62	4	5	3	3	3	34
Spring 2	21	32	2	6	1	3	3	23
Summer 1	40	44	4	5	6	1	4	28
Summer 2	27	28	2	5	1	3	1	17

PLT Across the Year	162	270	22	18	18	13	18	144
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SUMMARY OF ABOVE TABLE

- AP Provision have 8% of pupils achieving at least five (9-4 or equivalent) qualifications including English and Maths. National average is 3.5%
- Across the Trust there has been an 22% increase in both Level 1 and Level 2 English Functional skills.
- 8% of pupils in AP achieved at least 5 (4-9 or equivalent) qualification including English and Maths
- 70% of pupils achieved a Functional Skills qualification in English (L1-L2)
- 62% of pupils achieved a Functional Skills qualification in Maths (L1-L2)
- 47% of pupils achieved at least 5 (1-9 or equivalent) qualification including English and Maths
- 84.2% of pupils in VPA have achieved 5 or more (1-9 or equivalent) including English and Maths.
- Work scrutiny average across the academic year is good across the Trust and cademies have worked well to be completed each week in teams lead by a member of SLT. This has meant that all staff are involved in the process and gain immediate feedback. They are also clear on the expectations and can learn from each other to make further improvements. Staff have said that the reduced statements has made the process more manageable in comparison to before.

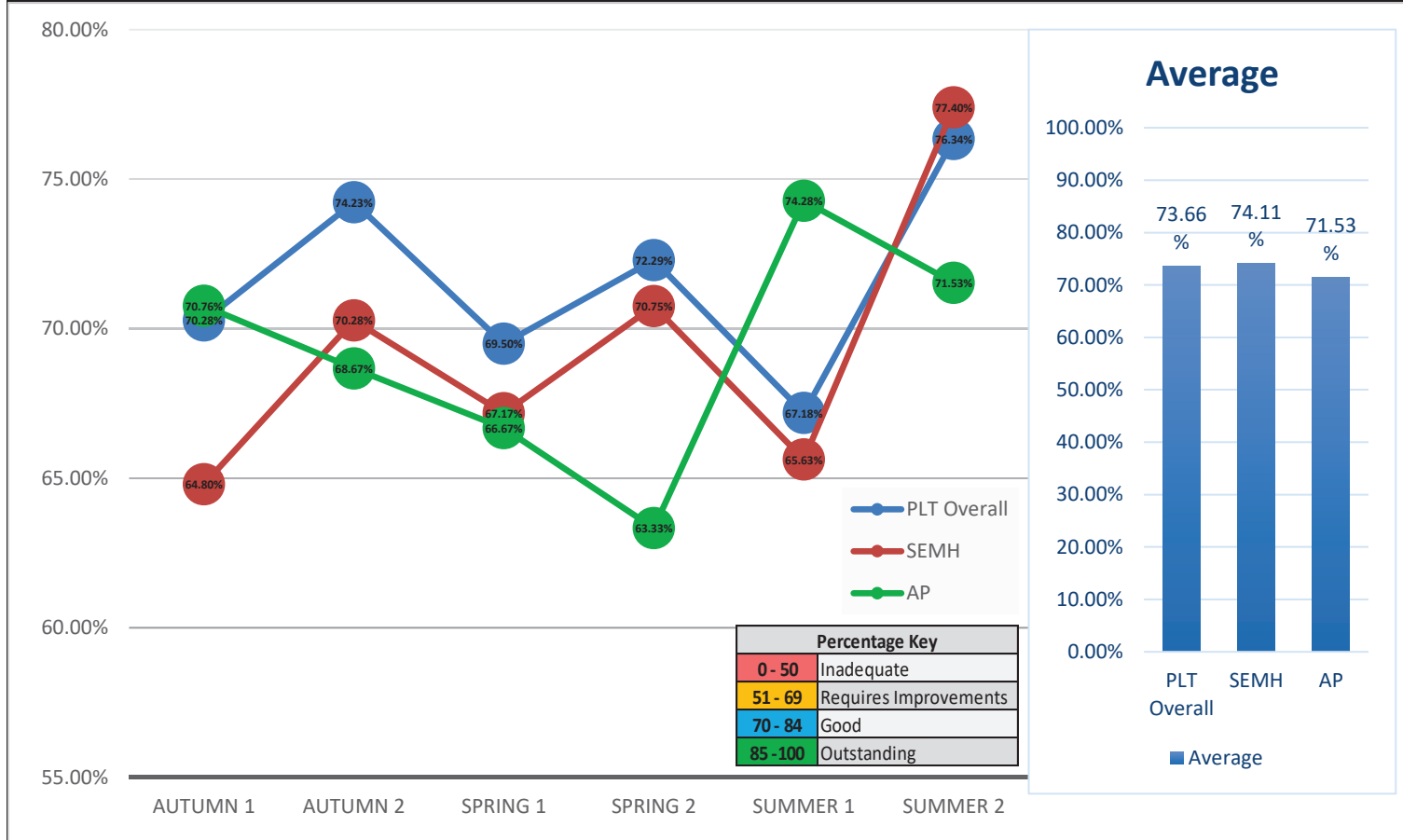
QUALITY OF EDUCATION IMPROVEMENT PRIORITIES

- Whole school numeracy to be embedded across the school. These will be part of the Headteacher's PMR for 2023/4.
- Assessment to be a priority and well planned for and monitored.
- Support for new staff and ECTs to be a priority in terms of teaching and learning coaching.
- Development of middle leaders' roles.

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Work Scrutiny	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2	Average
Wandle Valley Academy	69%	77%	73%	66%	70%	70%	71%
Inspire Academy		78%		89%		93%	87%
Evolve AP	83%	73%	67%	65%	66%	67%	70%
Ramsden Hall Academy		85.5%		84%		66.4%	80%
Victory Park Academy	74%	80%	79%	74%	73%	78%	76%
Sutton House Academy	70.4%	73.1%	74.5%	76%	75.9%	78%	74.65%
Evolve SEMH	55%	53%	54%	52%	51%	82%	57%



Intent

- To focus on the progress and learning taking place across the curriculum and on triangulating SOW; weekly planning with W/S
- There is clear evidence in the work produced in the books that any targets with a completed status have actually been met.
- There is clear evidence of planning for core skills, SEMH and ambition in SOW and weekly planning.
- Once areas have been identified the T and L Lead will offer CPD sessions and one to one support to newer members of staff as well as one to one support.
- The same staff members will be invited to weekly W/S in order to share good practice on differentiation especially learning objectives and resources.
- Being fully prepared for each lesson and liaising with LSA's prior to teaching.
- To focus on planning the opportunities for pupils to respond to marking which is reflected in the data.
- For 2023/4 all academies will submit data every half term. This is to show a balance across all Academies as at present SEMH do it every term.

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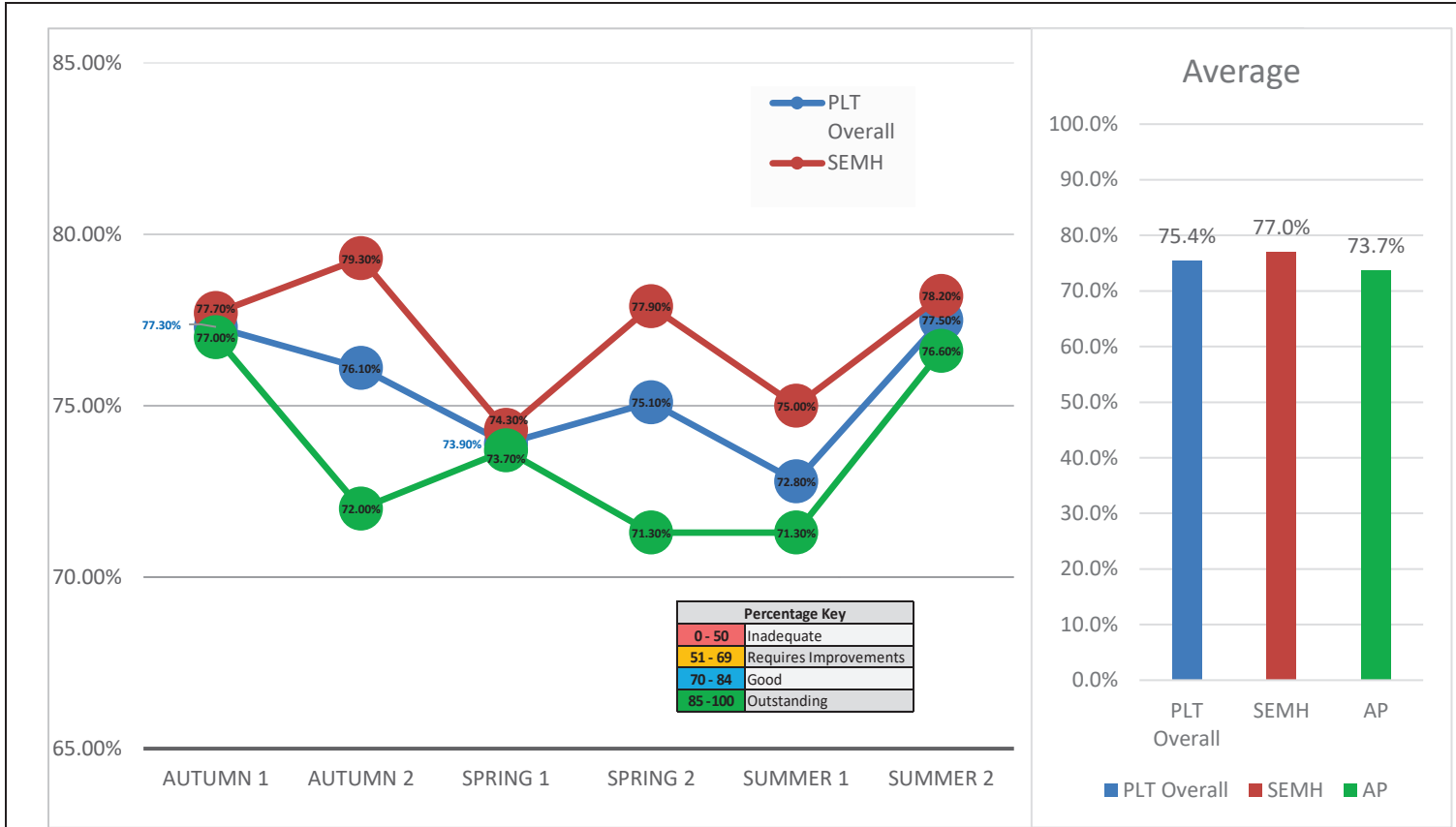
Directors' Report for the year ended 31 August 2023

Implementation
<ul style="list-style-type: none"> When Work Scrutiny takes place, weekly plans are checked to see if the work completed corresponded with weekly planning and SOW focussing on starters, main, plenaries as well as planning for SEMH and ambition. New staff are supported in their teaching roles and this is reflected in the data. Teachers who require support, have received that on a weekly basis and everyone has been involved in the W/S whether presenting books or assessing each term. Examples of good practice are shared and teachers are regularly reminded of T and L expectations. Being fully prepared for each lesson and liaising with LSA's prior to teaching is taking place and a CPD on 'effective use of LSA' is provided. T and L lead to support new staff with planning and using the marking policy, in particular planning the opportunities for pupils to respond to marking. These will be one to one sessions or small group sessions addressing and monitoring this. In addition, these members of staff will be invited to W/S every week in order to learn from good practice of others. Another option is a Buddy Scheme whereby new teachers will be paired with more experienced ones and be supported with Marking and Feedback on a more regular one to one basis. Training on progress and learning will be taking place for all staff in Autumn term. Autumn term will be addressing the progress and learning taking place across the curriculum and a deep dive on weekly planning and schemes of work is planned to highlight where in the curriculum we need to develop both ambition and SEMH opportunities further. Once areas have been identified the T and L Lead will offer CPD sessions and one to one support to newer members of staff as well as one to one support.
Impact
<ul style="list-style-type: none"> SOW and weekly Planning shows evidence of planning and pupils' work shows evidence of pupil feedback including verbal feedback. SOW and weekly Planning shows evidence of planning for core skills, SEMH and ambition W/S data reflects good practice and pupil progress.
Proposed target for coming year based on Evaluation
<ul style="list-style-type: none"> Pupils' work and planning shows evidence of regular spelling practice taking place. To have evidence across the curriculum that pupils are challenged further in their learning and Pupil feedback is completed, including verbal feedback. A numeracy focus to be embedded just as the literacy has been embedded last year

Learning Walks	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2	Average
Wandle Valley Academy	83%	83%	75%	70%	73%	73%	76%
Inspire Academy		78%		84%		87%	83%
Evolve AP	75%	60%	60%	60%	64%	65%	64%
Ramsden Hall Academy		81.3%		76%		73.6%	77%
Victory Park Academy	80%	81%	83%	79%	78%	83%	80%
Sutton House Academy	72.3%	74.7%	73.6%	81.7%	76.9%	84.6%	77.3%
Evolve SEMH	76%	75%	78%	75%	72%	76%	75%

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Intent

- To continue to monitor staff on the training received and ensure it is implemented within their planning and delivery of lessons.
- Reading is prioritised to allow pupils to access the full curriculum offer and reading materials are closely matched to ability.
- A deep dive of SOW and weekly planners is scheduled. In L/W's, planning will be looked at prior to the L/W to measure whether it matches and the strategies are both apparent and utilised.
- Amending and updating SOW and weekly planning, as well as employing more opportunities for core skills to be embedded in every subject.
- Differentiated learning objectives; engagement ideas and including strategies within planning.
- Revising literacy for staff.

Implementation

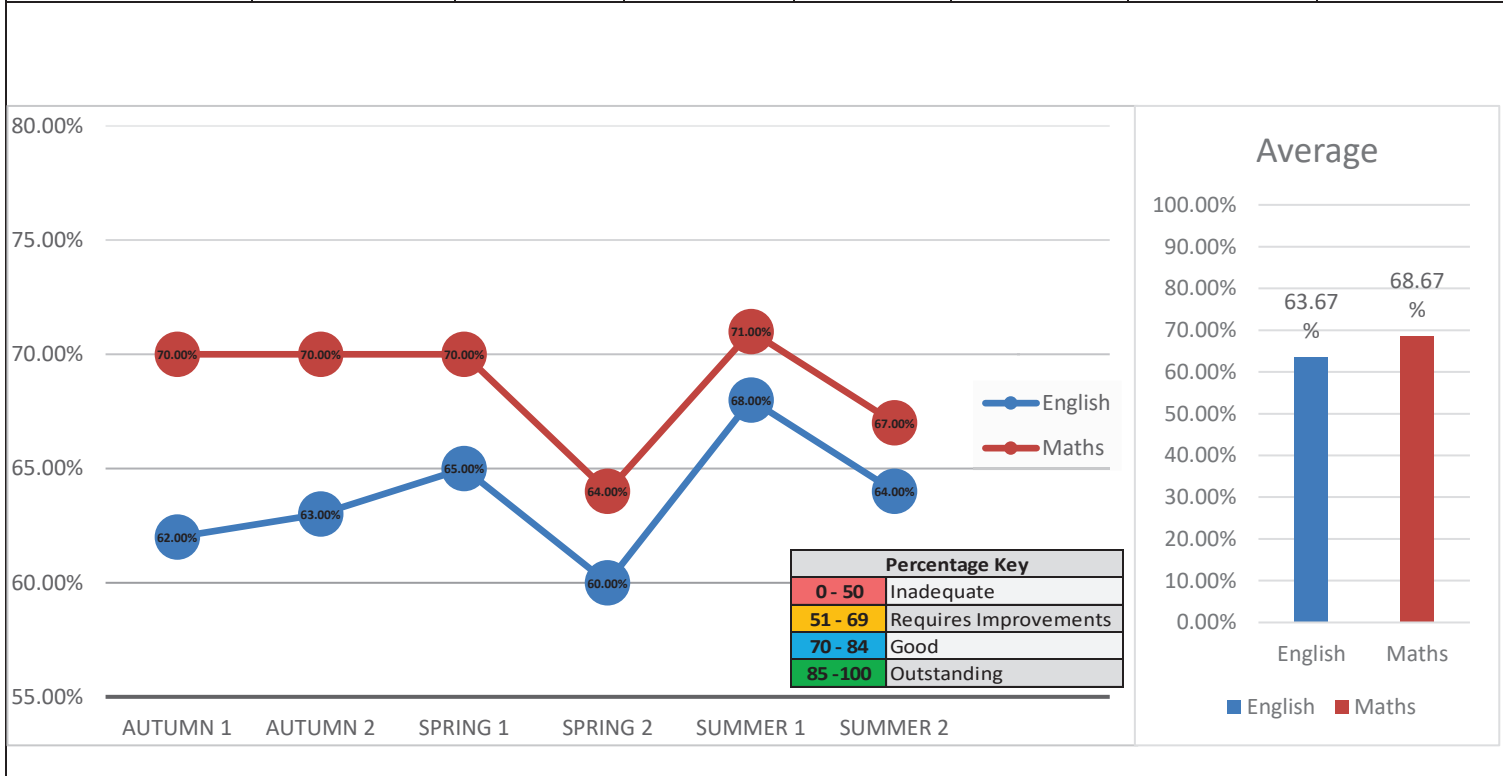
- In L/W's, planning will be looked at prior to the L/W to measure whether it matches and the strategies are both apparent and utilised.
- T and L CPD training to be provided for all staff.
- Reading corners and a wide range of reading materials available for pupils in all subject areas. Reading is included in weekly planning and lessons match planning.
- One to one meeting has taken place with some teaching staff to discuss their planning and delivery of lessons based on the data collected.
- Further training for non-specialists' teachers has been timetabled and designed to meet the requirements of teaching staff such as using the marking policy.
- Members of staff will be invited on L/W's with SLT in order to learn from good practice of others. Another option is a Buddy Scheme whereby new teachers will be paired with more experienced ones and be supported with planning/resources and behaviour management strategies on a more regular one to one basis.
- To monitor staff on the training received and ensure it is implemented within their planning and delivery of lessons.

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Impact
<ul style="list-style-type: none"> Pupil progress will increase and increases in areas of LWs where CPD training and support given Staff are confident in planning and their delivery of lessons Staff are following the behaviour policy and this is reflected in Sleuth Pupils reading ages improve and this shows in WRAT data
Proposed target for coming year based on Evaluation
<ul style="list-style-type: none"> Planning will be looked at prior to the L/W to measure whether it matches and the strategies are both apparent and utilized. If needed, the Buddy Scheme can be introduced whereby new teachers will be paired with more experienced ones and be supported with planning/resources and behaviour management strategies on a more regular one to one basis. Verbal feedback will be addressed in terms of recording this, either through pictures; annotations; recordings or stamps.

Pupil Progress	Subjects	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2
Wandle Valley Academy	English	73%	73%	79%	81%	77%	77%
	Maths	94%	94%	85%	73%	78%	78%
Inspire Academy	English		84%		90%		85%
	Maths		86%		74%		76%
Evolve AP	English	43.5%	43.5%	49.0%	54.0%	57.5%	54.5%
	Maths	50.0%	50.0%	55.0%	70.0%	73.5%	72.5%
Ramsden Hall Academy	English		40%		11.5%		13.3%
	Maths		41%		21.7%		38%
Victory Park Academy	English	56.2%	76.7%	83.5%	59%	67.3%	74.5%
	Maths	68.7%	77.4%	79%	78.3%	65.4%	67.3%
Sutton House Academy	English	46.6%	46.8%	47.6%	56.8%	58.4%	51.6%
	Maths	68.7%	65.7%	63.3%	55.6%	60.0%	52.3%
Evolve SEMH	English	91%	80%	68%	71%	82%	89%
	Maths	86%	73%	69%	75%	76%	88%



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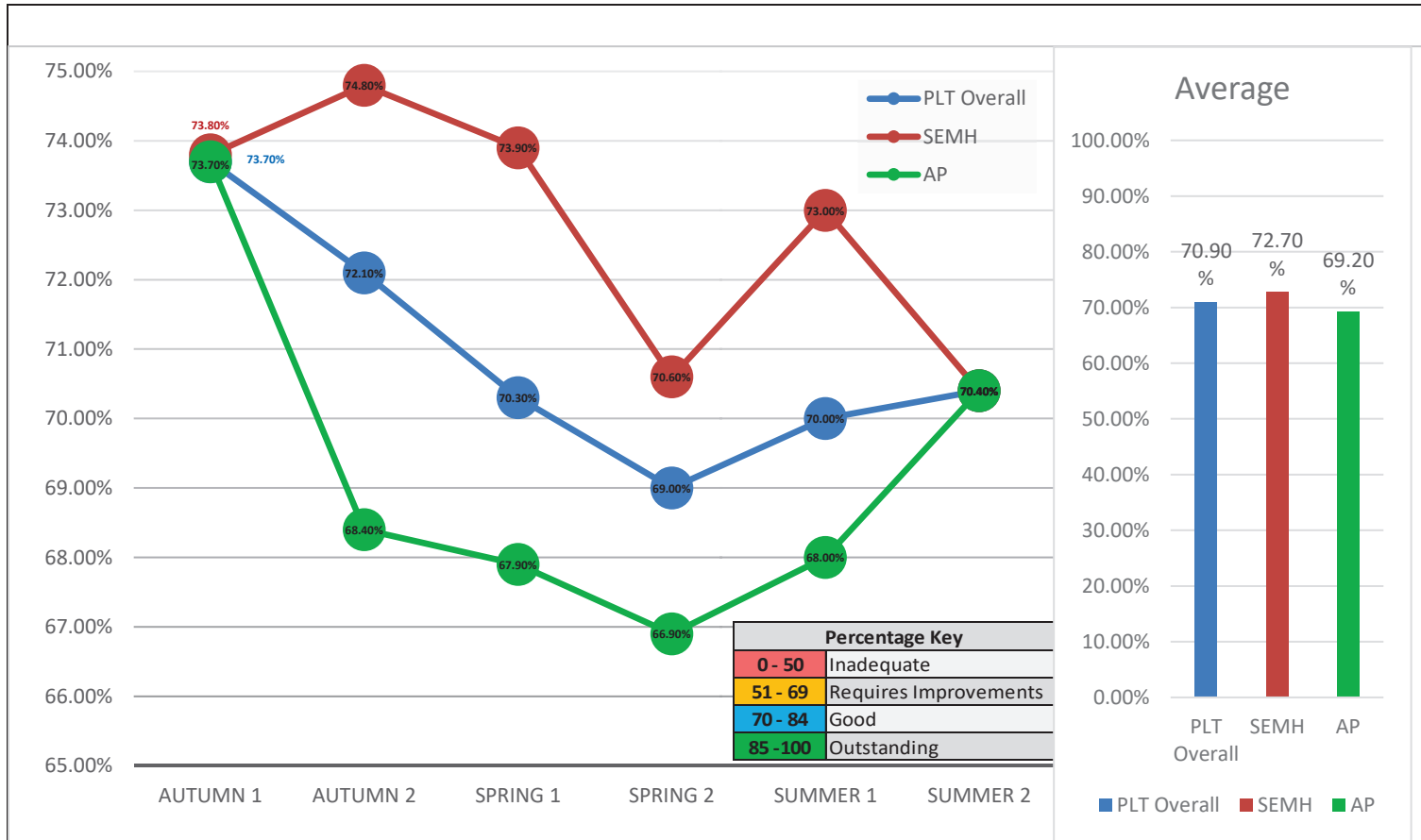
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Intent
<ul style="list-style-type: none"> To ensure that, where pupils have been identified as not making adequate progress, bespoke interventions are put in place to support their learning. All year 11 pupils leave with an English and Maths qualification To use the March WRAT data to inform which pupils require reading or other Literacy intervention.
Implementation
<ul style="list-style-type: none"> Pupils are ranked in order, by comparing the difference between their WRAT score and their true chronological age for each of the three component sections – Reading, Spelling, and Comprehension. 20% of learners with the greatest difference between their WRAT score and actual age, are identified for additional support in each of the areas. The identified 20% of pupils for each of the WRAT are then put onto the Phonics programme and all pupils have 3x Lexia sessions weekly. Teachers are planning and delivering opportunities for pupils to have developed detailed knowledge and skills across the curriculum and as a result achieve well. This is reflected in the work pupils have produced seen in L/W and W/S. Year 11 pupils to complete Level 1 and 2 (where applicable) as well as GCSEs in Maths and English to provide more opportunities to gain these important qualifications.
Impact
<ul style="list-style-type: none"> All year 11 leave with a Maths and English qualification. In WRATS test March 2023, Reading is the strongest component, followed by comprehension. With the exception of KS2 Reading, all Key Stages have scored approximately 1-2 years below their chronological age for each of the three WRAT categories closing the gap. Over two-thirds of pupils across the trust have met their English and Maths end of year targets - 6 steps of progress (which is equivalent to 1 GCSE grade or equivalent)
Proposed target for coming year based on Evaluation
<ul style="list-style-type: none"> To ensure that, where pupils have been identified as not making adequate progress, bespoke interventions are put in place to support their learning. To introduce an IT based spelling programme and literacy programme (Spellzone and Literacy Planet) as a further intervention To plan EAL CPDs and provide EAL resources/ register EAL pupils immediately for Fresh Start Vocational courses will be regulated across Trust to allow a tighter Trust approach All Academies to focus on functional skills at earlier years.

Triangulation Table	Autumn 1	Autumn 2	Spring 1	Spring 2	Summer 1	Summer 2	Average
Wandle Valley Academy	76%	77%	74%	71%	72%	72%	74%
Inspire Academy		82%		87%		87%	85.3%
Evolve Academy AP	71%	56.60%	56.60%	58%	61%	61%	52%
Ramsden Hall Academy		69%		51%		50%	61%
Victory Park Academy	71.5%	78.0%	77.9%	71.5%	70.1%	72.3%	74.0%
Sutton House Academy	71.5%	71.2%	73.8%	73.4 %	74%	72.4%	72.7%
Evolve Academy SEMH	78.6%	70.7%	69.2%	71.3%	72.8%	78.0%	73.4%

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Directors' Report for the year ended 31 August 2023



Intent

- To improve the overall percentage to over 75%
- All staff to be confident in how to monitor pupil progress and data drops; classroom management and behaviour levels/ consequences.
- One to one meeting between individual teachers and the Teaching and Learning lead and Progress Lead take place every term to discuss reasons behind pupils making limited progress- this could be due to Pupil Number Adjustment, reduced timetable or enrichment activities. A high number of KS3 pupils have joined the Trust.

Implementation

- One to one meeting for progress and training in T and L have taken place. Regular CPD training and Buddy scheme offered for less experienced staff to be supported by more experienced staff and sharing of good practice.
- To run staff CPD on pupil progress; data drops and behaviour management and teacher support sessions for new/ non subject specific staff.
- Monitor and support through L/Ws and W/S.
- New staff will be further trained with behaviour lead to discuss classroom management and behaviour levels/ consequences. One to one progress meetings with staff to take place by the second week of Spring 1.

Impact

- The Triangulation table has identified areas for development for teaching and learning and informs teachers' CPD across the academy.
- Learning walks and work scrutiny highlight where staff need to improve and where they excel. This is a vital part of developing good practice across the Trust.
- Allows for the monitoring of teacher performance across year groups and subjects - allowing for detailed scrutiny across the seven areas of teacher standards.
- It highlights teachers who have good knowledge of the subject(s) and courses they teach.
- It provides leaders the data required to put effective support for those teaching outside their main areas of expertise or require further development.
- Overall, across trust through L/W; W/S and PP we are at 71.30%.

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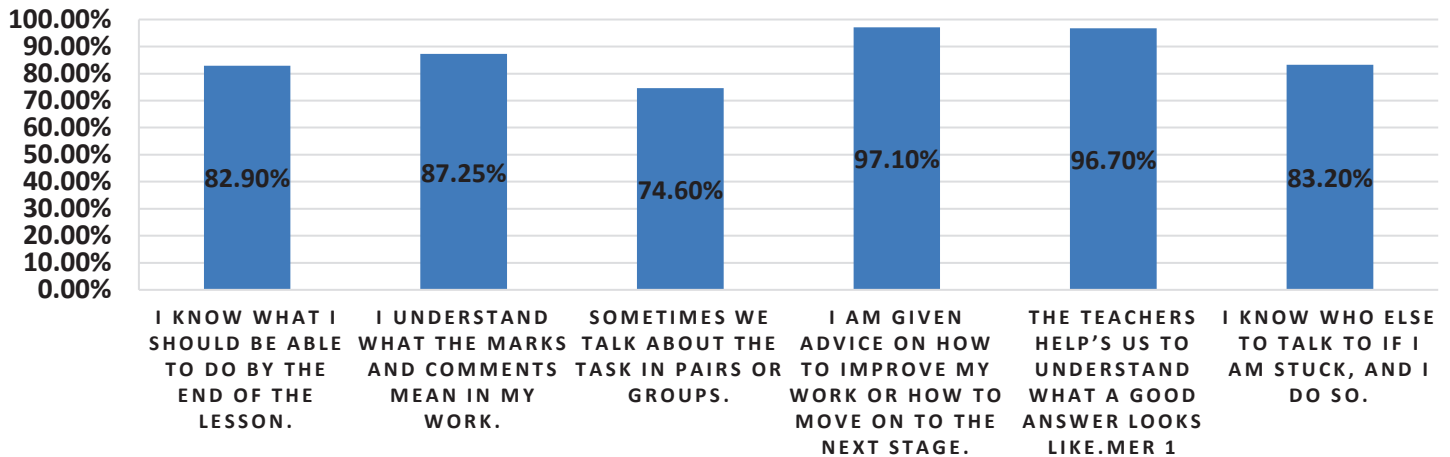
Directors' Report for the year ended 31 August 2023

Proposed target for coming year based on Evaluation

- All staff to be confident in how to monitor pupil progress and data drops; classroom management and behaviour levels/ consequences.
- Data drops 6 times per year for all academies

PUPIL SURVEY'S

■ 2022/2023



Pupil Surveys	I know what I should be able to do by the end of the lesson.	I understand what the marks and comments mean in my work.	Sometimes we talk about the task in pairs or groups.	I am given advice on how to improve my work or how to move on to the next stage.	The teacher's help's us to understand what a good answer looks like.	I know who else to talk to if I am stuck, and I do so.
2022/2023	82.90%	87.25%	74.60%	97.10%	96.70%	83.20%

Percentage Key	
0 - 50	Inadequate
51 - 69	Requires Improvements
70 - 84	Good
85 - 100	Outstanding

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Directors' Report for the year ended 31 August 2023

PLT -GCSE OUTCOME QUALIFICATIONS - 2022/2023

Year 11	Inspire (SEMH)		Evolve (SEMH)		Evolve (AP)		Ramaden Hall (SEMH)		Sutton House (SEMH)		Victory Park (AP)		Wandle Valley (SEMH)		PLT (Average)		SEMH (Average)		AP (Average)		
Number of Year 11 Pupils on roll	9		7		21		17		3		19		15		91		51		40		
	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	Number of Studets	%	
% achieving at least five (9-4 or equivalent) qualifications (inc. English and Maths)	0	0%	0	0.0%	2	9.5%	0	0.0%	0	0.0%	1	5.3%	0	0%	3	3%	0	0%	3	8%	
% achieving at least five (9-1 or equivalent) qualifications (inc. English and Maths)	5	56%	3	42.9%	10	47.6%	2	11.8%	2	66.7%	16	84.2%	4	27%	42	46%	16	31%	26	65%	
% achieving at least five (9-1 or equivalent) qualifications	6	67%	3	42.9%	10	47.6%	2	11.8%	2	66.7%	16	84.2%	4	27%	43	47%	17	33%	26	65%	
% achieving a GCSE qualification in both English & Maths (1-9)	5	56%	2	28.6%	10	47.6%	2	11.8%	2	66.7%	14	73.7%	4	27%	39	43%	15	29%	24	60%	
% achieving a GCSE qualification in English (1-9)	5	56%	2	28.6%	9	42.9%	2	11.8%	2	66.7%	16	84.2%	4	27%	40	44%	15	29%	25	63%	
% achieving a GCSE qualification in Maths (1-9)	6	67%	3	42.9%	10	47.6%	10	58.8%	2	66.7%	14	73.7%	4	27%	49	54%	25	49%	24	60%	
% achieving a Functional Skills qualification in Maths (L1 -L2)	L1	4	44%	3	42.9%	6	28.6%	7	41.2%	0	0.0%	15	78.9%	0	0%	35	38%	14	27%	21	53%
	L2	0	0%	3	42.9%	13	61.9%	5	29.4%	0	0.0%	1	5.3%	0	0%	22	24%	8	16%	14	35%
% achieving a Functional Skills qualification in English (L1 -L2)	L1	4	44%	5	71.4%	13	61.9%	9	52.9%	3	100.0%	13	68.4%	5	33%	52	57%	26	51%	26	65%
	L2	0	0%	0	0.0%	4	19.0%	4	23.5%	1	33.3%	3	15.8%	0	0%	12	13%	5	10%	7	18%

Intent

- To focus on developing the extra-curricular offer- this will involve working with pupils through Pupil Voice to ascertain what they would like to do; applying for further funding to access various offers and employ more staff.
- As part of the induction process, the Marking Policy and how to respond to this will be added- new pupils will then feel more confident when joining lessons.

Implementation

- In the Pupil Well-being section, staff have worked hard to provide extracurricular activities to encourage pupils to develop their personal and social skills.
- The majority of personal development activities and lessons take place in period 5, after lunch.
- A classroom culture which encouraged interaction of assessment and discussions around quality of education.
- We used varied instruction methods to meet diverse student needs; online student surveys; face to face surveys; Q and A through L/W's
- Used a variety of approaches to assess student understanding.
- Active pupil involvement in learning process
- Ongoing CPD to support pupil voice
- Focus on W/S around pupil voice
- Invited pupils along on L/W's
- Feedback on pupil performance and adaptation to meet pupil needs

Impact

- Pupils feel happy in school and partake in extracurricular activities offered which are tailored to their needs.
- Pupils are more confident and have a positive attitude to learning.
- Successful engagement with parents.

Proposed target for coming year based on Evaluation

- Pupil Wellbeing- In Autumn, we will focus on working with pupils on designing an extra-curricular timetable which they are interested in.
- Safeguarding- Leading a healthy and active lifestyle will be the focus for assemblies during the Autumn term.

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Directors' Report for the year ended 31 August 2023

Headlines

- 8% of pupils in AP achieved at least 5 (4-9 or equivalent) qualification including English and Maths
- 70% of pupils achieved a Functional Skills qualification in English (L1-L2)
- 62% of pupils achieved a Functional Skills qualification in Maths (L1-L2)
- 47% of pupils achieved at least 5 (1-9 or equivalent) qualification including English and Maths
- 84.2% of pupils in VPA have achieved 5 or more (1-9 or equivalent) including English and Maths.

Has our GCSE Outcome matched our April Prediction? NO

Our predictions were very close; however, they were impacted due to the following;

- 300,000 less top grades in the country and an end to the pandemic grade inflation. We have seen a return to pre pandemic grading.
- Disadvantaged pupils like ours have been disproportionately impacted.
- First year of exams taken by Pupils hit by COVID twice who have had no exemptions, TAGs, being given
- This year's cohort was a Lower Ability Cohort

Destinations will be a key focus for all academies this year, again written into the Headteacher's PMR.

Behaviour Across PLT

The trust data is something that needs to be monitored in greater detail for this Academic year. It needs to be noted that the Trust behaviour lead is no longer in post.

Overview to Date: 1/9/22 -21/7/23:

	Attendance		Suspensions		Negatives		Positives		Safety Interventions	
	Whole School %	% of pupils >90%	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Ramsden Hall	65.50%	32.60%	58	0.003	2988	0.157	4153	0.218	121	0.006
Victory Park	69.94%	70.06%	26	0.001	1527	0.116	6651	0.368	135	0.015
Sutton House	72.90%	64.00%	24	0.002	759	0.054	4639	0.331	162	0.012
Evolve Kennington										
Inspire	74.00%	30.00%	55	0.004	1708	0.143	3486	0.292	33	0.002
Evolve West Norwood	63.70%	24.00%	127	0.018	2182	0.306	2925	0.410	81	0.011
Wandle Valley	74.80%	40.58%	100	0.007	3134	0.240	7520	0.600	106	0.009

Average 2022-23	70.14%	43.54%	65	0.006	2049	0.169	4896	0.369	106	0.009
SEMH Average 2022-23	70.18%	38.23%	73	0.007	2154	0.180	4545	0.370	101	0.008
PRU Average 2022-23	69.94%	70.06%	26	0.001	1527	0.116	6651	0.368	135	0.015

Key:

Black	Within 2% or 0.002 of Average 2022-23
Red	Less than 2% or 0.002 of Average 2022-23
Green	More than 2% or 0.002 of Average 2022-23

Notes (Concerns): SH – 162 Safety Interventions yet only 759 negative incidents – are staff recording consistently and only for 'higher level' incidents. VP – Attendance above 90% has not been calculated correctly – overall attendance is 69.94% but 70.06% have above 90% attendance? SH calculations are also contentious. VP's rate of SIs is also incorrect.

Evolve – Lowest number of positive incidents across the trust, yet the rate is really high (second highest).

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Directors' Report for the year ended 31 August 2023

The rates across the board for Evolve have been calculated incorrectly.

The data that has been sent across is for Evolve as a whole provision, there is no indication on what data is for West Norwood and what is for Kennington.

For this analysis, the data capture for Evolve 'as a whole' has been placed into Evolve West Norwood.

In the year-to-date suspensions data, there is an anomaly. Evolve highlight they had 127 suspensions but their suspensions from terms 2-6 total 160.

WV – Rates across the board have been calculated incorrectly. This is a training need.

It is necessary to compare the rate and not the total frequency of the number of incidents as this would not be a fair comparator. The rate is calculated by dividing the total number of incidents, divided by the number of pupils on roll, which is then finally divided by the total number of days of education. This allows a fair comparison of pupils across PLT academies regardless of the size or term as some academies are larger than others and some terms have more days.

Attendance Per Half Term Per Academy:

		Term 1		Term 2		Term 3		Term 4		Term 5		Term 6	
		Whole School %	% of pupils >90%	Whole School %	% of pupils >90%	Whole School %	% of pupils >90%	Whole School %	% of pupils >90%	Whole School %	% of pupils >90%	Whole School %	% of pupils >90%
SEMH	Ramsden Hall	69.15	43	68.40	40.40	68.20	42.70	67.50	44	65.50	37.25	60.72	59
PRU	Victory Park	76.03	64.18	67.93	77.91	73.50	55.21	67.86	68.37	75.39	63.73	60.39	70.80
SEMH	Sutton House	72.31	58.46	70.39	61.19	75.59	56.25	71.4	56.92	74.38	50	73.95	41.43
PRU	Evolve Kennington												
SEMH	Inspire	78.91	53	73.80	42	78.27	40	73.88	36	72.82	40	66	41
SEMH	Evolve West Norwood			63.10	25	69.50	29	69.9	37	60.40	30	53.8	24%
SEMH	Wandle Valley	75.19	52.29	72.7	35.52	75.23	43.13	71.07	35.77	71.03	43.47	76.3	48.43

	Whole School %	% of pupils >90% (No.)
Average 2022-23	70.14%	43.54%
SEMH Average 2022-23	70.18%	38.23%
PRU Average 2022-23	69.94%	70.06%

It should be noted that attendance has fallen nationally since Covid. Inspectors and LA scrutinise this and Academies have to demonstrate that all students (even if they're persistent non-attenders) are accounted for and actioned with LA/parents.

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Directors' Report for the year ended 31 August 2023

Suspensions Per Academy Per Half Term:

		Term 1		Term 2		Term 3		Term 4		Term 5		Term 6	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
SEMH	Ramsden Hall	15	0.005	8	0.003	11	0.004	10	0.003	8	0.003	6	0.002
PRU	Victory Park	5	0.002	6	0.002	2	0.001	7	0.003	2	0.001	4	0.001
SEMH	Sutton House	4	0.002	2	0.001	5	0.003	3	0.002	3	0.001	7	0.003
PRU	Evolve Kennington												
SEMH	Inspire	11	0.005	6	0.003	11	0.007	14	0.008	7	0.004	6	0.003
SEMH	Evolve West Norwood			34	0.014	32	0.013	30	0.009	31	0.009	33	0.008
SEMH	Wandle Valley	24	0.008	16	0.006	17	0.007	19	0.008	13	0.005	11	0.004

	Number	Rate
Average 2022-23	65	0.006
SEMH Average 2022-23	73	0.007
PRU Average 2022-23	26	0.001

No permanent exclusion across all Academies within the Trust.

Negative Events Per Academy Per Half Term:

	Term 1		Term 2		Term 3		Term 4		Term 5		Term 6	
	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
Ramsden Hall	582	0.179	530	0.176	437	0.163	493	0.164	429	0.145	517	0.143
Victory Park	293	0.125	260	0.104	225	0.087	311	0.115	206	0.076	232	0.059
Sutton House	198	0.087	99	0.048	166	0.100	89	0.046	119	0.059	88	0.035
Evolve Kennington												
Inspire	445	0.205	251	0.127	244	0.145	208	0.114	261	0.145	299	0.140
Evolve West Norwood			272	0.110	522	0.217	839	0.257	549	0.158	527	0.127
Wandle Valley	728	0.254	619	0.230	642	0.273	523	0.208	607	0.241	616	0.215

	Number	Rate
Average 2022-23	2049	0.169
SEMH Average 2022-23	2154	0.180
PRU Average 2022-23	1527	0.116

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Directors' Report for the year ended 31 August 2023

Positive Events Per Academy Per Half Term:

		Term 1		Term 2		Term 3		Term 4		Term 5		Term 6	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
SEMH	Ramsden Hall	938	0.288	656	0.218	700	0.260	684	0.228	561	0.190	614	0.170
PRU	Victory Park	915	0.390	964	0.386	1080	0.419	1220	0.452	1100	0.408	1372	0.347
SEMH	Sutton House	1336	0.587	844	0.406	656	0.394	714	0.366	618	0.304	471	0.190
PRU	Evolve Kennington												
SEMH	Inspire	987	0.455	511	0.258	593	0.353	602	0.329	414	0.230	379	0.178
SEMH	Evolve West Norwood			417	0.169	739	0.307	868	0.265	901	0.259	744	0.179
SEMH	Wandle Valley	1816	0.633	1528	0.568	1426	0.606	1293	0.513	1410	0.559	1607	0.560

	Number	Rate
Average 2022-23	4896	0.369
SEMH Average 2022-23	4545	0.370
PRU Average 2022-23	6651	0.368

Safety Interventions/RPI Per Half Term Per Academy:

		Term 1		Term 2		Term 3		Term 4		Term 5		Term 6	
		Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate	Number	Rate
SEMH	Ramsden Hall	34	0.010	16	0.005	11	0.004	21	0.007	10	0.003	29	0.008
PRU	Victory Park	35	0.015	29	0.012	17	0.007	26	0.010	15	0.006	13	0.003
SEMH	Sutton House	46	0.020	13	0.006	32	0.019	23	0.012	26	0.013	22	0.009
PRU	Evolve Kennington												
SEMH	Inspire	12	0.006	6	0.003	6	0.004	3	0.002	3	0.002	3	0.001
SEMH	Evolve West Norwood			23	0.009	14	0.006	34	0.010	15	0.004	21	0.005
SEMH	Wandle Valley	38	0.013	21	0.008	25	0.011	25	0.010	12	0.005	8	0.003

	Number	Rate
Average 2022-23	106	0.009
SEMH Average 2022-23	101	0.008
PRU Average 2022-23	135	0.015

It is now a Trust minimum standard that all staff (including supply) are given CPI training within the first month of starting.

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Directors' Report for the year ended 31 August 2023

New developments / projects:

Inspire Academy

A substantial increase in student numbers with EHCPs across Medway has meant that the LA have been working to commission extra places before the proposed new build is delivered (September 2025).

This has meant that Medway LA have agreed to a £1.2 million spend to accommodate 30 extra places at the current Inspire site.

The proposal was due to have delivered stage one of a two stage build by the start of November 2023. Due to concerns identified with the appointment process and suitability of the original contractor the Trust met with Medway LA on the 12th October to inform them of the issues and to come up with a solution.

With a new contractor in mind and the LA project managing the stage one build, two modular classrooms and office space, should be completed by the start of January 2024 with stage 2 completed for the summer term 2024.

Stage 1 will cater for up to 16 extra SEMH students that are educated out of Medway. The Academy has said that 3 students that should have started in November will be absorbed into the current classes until the build is completed. We are currently looking to agree early funding so that we can start to employ for the extra staffing that will be needed for stage 1 and 2.

Inspire new build project

To date we have had 6 Client Engagement Meetings (CEMs) with the DFE/Architects/Builders for the proposed new build on Cornwallis Avenue in Medway. The project is proposed to be completed for a September 2025 opening. The Trust have extended the working party so that the Academy is now involved with the project.

Southend Pilots

The Sutton House project is now under way with the team starting with lower numbers than the capacity 24 students so that they can build gradually. The pilot is looking to allow respite for students with potential SEN needs (possibly looking for an EHCP) so that they can focus on coping techniques and therapeutic intervention which is linked to the Stage model approach.

Stage 1- Transition Period

Stage 2- Anxieties

Stage 3- Communication

Stage 4-Social Interaction

Stage 5 – Sensory Needs

Stage 6- Independence

Stage 7- Safe Base

Stage 8- Emotional Support

Stage 9- Continue assess and review

Parents and pupils have been positive about their initial meetings and pathways. Schools have equally been positive about our work and support so far. Appropriate staff recruitment remains a challenge; hence numbers stay lower until staff numbers increase. The project is currently running 2 sessions a day for 12 students.

As a Trust we decided to decline the offer to interview for a new pilot with Southend to expand the KS3 provision at Victory Park. This would have required leasing a new building in Southend and also would rely on recruiting extra staff which is a current issue across the profession.

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Directors' Report for the year ended 31 August 2023

Going Concern

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

These financial statements are prepared on the going concern basis.

As disclosed in note 18 the financial statements provide for a significant liability owed to the London Borough of Lambeth (LBL). This relates to a legal claim issued by LBL against the trust on 27 January 2017 for unpaid payroll services. A provisional settlement of £3.38m was agreed and with a monthly repayment plan now in place to settle this by March 2024. The balance sheet includes the remaining liability of £350k. The agreed monthly repayment plan provides for payments of:

- £53,811 from February 2023 until full repayment in January 2024; and
- £81,041 estimated accrued legal fees in February and March 2024.

A signed legal agreement for the value of the unpaid payroll debt was agreed during 2019-20 along with a provisional cost for legal fees. It is expected that any increase in legal fees should not be significant.

The settlement agreement provides for default protocol but to date the trust has been able to settle all monthly payments as they fall due and the directors are confident, having considered detailed cash flow forecasts, the trust will continue to be able do so.

During 2022/23 the contingent liability for a secondary claim of £929k against the trust by LBL relating to historic pension deficit balances has been resolved. At the triennial actuarial Lambeth LGPS valuation, agreement was made with Lambeth LGPS on a repayment plan to reduce the outstanding liability on the pension fund, much of which was inherited at the point of conversion of KPA and PCA. A repayment plan started from April 2023 to pay back £504k over the next 3 years, until the Apr 2026 actuarial valuation reassess the liability.

Investment Policy

A return on working capital should be optimised whilst allowing easy access to the funds. In balancing risk against return the Treasury Management Policy for the Trust policy is clearly geared more towards avoiding risk than towards maximizing return.

The Trust will not take out any long-term investments until a reliable cash flow pattern has been established.

Promoting the success of the company

The Trust ensures that any decisions made in line with its daily operations or furthering its strategic aims and objectives have due regard to;

- The likely consequences of any decision in the long term
- The interests of the company's employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the company's operations on the community and the environment
- The desirability of the company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the company

Strategic objectives are regularly discussed and agreed with the Board of Trustee's to ensure full consideration is given to implications of any decisions affecting staff and students within The Trust and other key stakeholders. The governance structure within The Trust is designed to enable input from a wide range of stakeholder voices and experts to provide a balanced and informed process of monitoring, challenge, support and decision making.

One of the key developments that PLT have established is soft partnerships with other Trusts to further strengthen processes and quality assure work at executive team.

Fundraising

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

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Directors' Report for the year ended 31 August 2023

Financial Review and Position

Following a very positive financial year in 2021/22, in which the Trust's revenue reserves position improved by £507k, significantly eating into the historic cumulative deficit, the 2022/23 year has been more about stabilisation in view of the challenges posed by rising cost pressures.

Most of The Trust's recurrent income is obtained from the Local Authority and ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA and Local Authority during the year ended 31 August 2023, together with the associated expenditure, are shown as restricted funds in the Statement of Financial Activities ("SoFA").

Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year was £16.3m compared to £23.7m in the previous year. Last year total income included £9.9m for the donation reflected to record the value of the new building at Ramsden Hall academy, donated by the ESFA.

Total income for both years also includes capital grant income, but with various capital projects in progress funding by Condition Improvement Fund grants from the ESFA, capital grant income this year at £953k was up significantly on the £58k in the prior year.

Looking purely at revenue income for day-to-day educational operations, revenue income for this year was £15.4m compared to £13.8m in 2021/22. Much of this increase was attributable to the rise in Local Authority grants of £1.2m.

A prior year adjustment has been included (explained further in note 15) which means expenditure and the overall result presented in the comparative year have been restated.

The SoFA shows net income for the year of £745k compared to a restated £9.06m for 2022. The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £3.19m (2022: increase of £19.9m).

The actuarial gain of £2.44m (2022: £10.89m) on the LGPS during the year arises due to changes in the actuarial assumptions used by the schemes' actuaries, which are updated at each accounting date to allow for changes in market conditions. Full details of the pension liability and assumptions used are disclosed in note 26. The actuarial gain for the year is only part of the overall movement in the carried deficit, which has decreased in total by £2.24m. The other elements are charged to the SoFA as expenditure for the year, within staff costs, as detailed in accounting policy 2.12.

The operational result and movement on revenue funds is not shown directly on the SoFA. The table which follows reconciles from the overall movement in funds by adjusting for non-revenue amounts to reach the increase in revenue funds during the year of £52k referred to at the beginning of this financial review. The table also shows the operational result achieved prior to revenue to capital transfers for fixed assets acquired from revenue grants.

	2023 (£000s)	2022 (£000s) (as restated)
Overall net movement in funds for the year per SoFA	3,189	19,994
Add:		
(Increase)/decrease attributable to fixed asset fund	(899)	(9,663)
LGPS actuarial loss	(2,444)	(10,887)
LGPS service and interest costs	206	1,063
Increase in revenue income funds during the year	52	507
Add: Transfers from revenue to capital to fund fixed asset additions	264	3
Operational surplus on revenue funds before transfers to capital	316	510

At 31 August 2023, the Trust held fixed assets with a value of £54.98m and movements in tangible fixed assets are shown in note 16 to the financial statements. Most of these assets relate to the value of leasehold school buildings.

The Trust has provided a central service to its academies during the year. Each academy school pays a 'levy charge' of their General Annual Grant and LA Top-up funding income to The Trust's Central Services fund which pays for key staff, systems or services vital to the running of The Trust. This is detailed in note 14 to the financial statements.

Parallel Learning Trust

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Directors' Report for the year ended 31 August 2023

The Trust held fund balances at 31 August 2023 of £51.4m (restated 2022: £48.2m). This total includes the following funds in surplus:

- **Restricted fixed asset funds** of £54.98m (restated 2022: £54.03m) representing the net book value of fixed asset held on the Balance sheet plus unspent capital grant money.
- **Unrestricted revenue funds** of £639k (2022: £619k).

Two funds were in deficit at 31 August 2023:

- **Restricted revenue funds** had a deficit of £1.51m (2022: £1.54m). As explained in note 18, the Central function and Evolve Academy both carry overall cumulative deficits on revenue funds, which include this deficit on restricted revenue funds.

The Central function deficit is predominantly linked to financial challenges arising from the historic payroll debt with the London Borough of Lambeth, outlined in going concern accounting policy 2.2.

Evolve Academy is carrying a large deficit relating to poor financial management many years ago, overseen by the previous executive team, and the need to repay a £3m payroll debt over the last 5 years, alongside significant secondary rate pension contributions totalling £256k per annum. Over the last two years pupil numbers and funding levels have reduced at Evolve Academy which has further exacerbated the challenge.

Further details and the action being taken to return the Central function and Evolve Academy to surplus are explained in note 20.

- **The pension reserve**, relating to the present value of the Local Government Pension Scheme defined benefit liability, shows a deficit of £2.70m at 31 August 2023 (2022: deficit of £4.94m). In accordance with accounting requirements, the Trust's share of the LGPS is carried on the Balance Sheet, with movements each year quantified by the Local Authority actuaries and reflected through the SOFA.

The Trust manages academies across four different local authorities, each running their own LGPS. This year the Kent and Essex Pension Fund LGPS actuarial valuation reports indicated defined benefit assets existed at 31 August 2023, however FRS 102 section 28.22 allows an entity to recognise a pension asset "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan."

The Trustees have considered that this criteria has not been met, and thus the pension assets for Kent and Essex have not been recognised for the reasons explained in note 3 for critical accounting estimates and areas of judgement.

The deficit carried on the Balance Sheet therefore relates to the combined deficits for the Trust's academies within the London Borough of Lambeth and the London Borough of Sutton.

It is noteworthy that any pension surplus or deficit is merely an accounting figure calculated under FRS 102 for the purposes of the financial statements, and has no direct effect on the employer contribution rate paid by the Trust, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators, and current employer contributions due by the Trust are fixed until 1 April 2026.

Reserves Policy

The Trust Board have agreed that going forward there should be a central reserves fund which each academy should proportionately contribute with the aim of creating a £100k over the next 3 years. Whilst this has not been possible previously it is the intention to deliver this going forward however with the volatile commissioning it is accepted that this may not be achievable. The reason for this is to provide sufficient working capital to provide a cushion to deal with unexpected emergencies such as urgent maintenance and to plan for future innovation and development projects. The Directors will review the potential reserve levels of the trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income commitments and the nature.

Principal Risks and Uncertainties

During 2022-23 there has been consistency at executive level with all key positions filled by contracted staff. The Board has looked to make efficiencies where appropriate to streamline the central function and reducing running costs and subsequently has a service level agreement with an external HR provider instead of employing someone in the central team. The Board feels this provides external challenge and rigour to key decision making which helps to lower risk.

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Directors' Report for the year ended 31 August 2023

In addition, a new executive leadership structure is in place and the Director of Performance and Standards & CEO has improved relationships with commissioners as well as the ESFA. This has brought greater financial stability to the Trust. Risks are prioritised using a consistent scoring system and in line with the Academies risk management matrix. In the MAT review the RSC noted:

- the Progress 5 measure developed and how this is being used to benchmark the performance of The Trust's schools
- the improvements made to the financial review process within the Trust
- the significant reductions made in the Trust's operating costs
- the improved relationship Parallel now has with London Borough of Lambeth (LBL)
- the cross-Trust relationships you have developed with Pioneer Academy Trust and TSAT.

Outlined below is a description of the principal risk factors that may affect PLT. Not all the factors are within PLT's control. Other factors besides those listed below may also adversely affect the Trust.

Trustees take seriously their responsibilities to ensure the Trust estate is safe, well maintained and complies with relevant regulations. During 22/23 Trustees supported the appointment of a new role of Business Executive to strengthen the Trust's ability to manage and monitor H&S compliance across the Trust. Frequent internal Health and Safety reviews are undertaken to ensure that all academies are meeting their requirements on maintenance and compliance testing. This is reported to Trustees via the FRP Committee on a termly basis.

The Trust have started work to review building and maintenance services used across the Trust to identify contractors who can provide best value and consistency across the entire Trust estate. The Trust has invested capital funds received from the ESFA on essential works across the Trust, as well as successfully securing a CIF bid of c500K to improve M&E services at one of its academies.

Government funding

PLT has considerable reliance on continued government funding through the ESFA and Top Up Funding from Local Authorities. In the accounting period 98% of the Trust's revenue was ultimately public funding and this level of requirement is expected to continue. There can be no assurance that national or local government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. There is significant risk in reduction of commissioning specifically within Lambeth and in addition the length and expiration dates of other commissioning arrangements as these tend to be reviewed on an annual basis.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual agreements
- A new commissioning strategy that secures appropriate funding from a range of sources

Maintain adequate funding of pension liabilities

The financial statement reports the share of the pension scheme deficit on PLT's balance sheet in line with the requirement of FRS 102.

Future growth

- Considerable focus and investment is placed on maintaining and managing key relationships
- By ensuring the academies in PLT Trust are rigorous in delivering high quality education and training ESFA and local government

Auditor

In so far as the Directors are aware:

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

Parallel Learning Trust
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Directors' Report for the year ended 31 August 2023

This Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, and signed on the board's behalf by:

DocuSigned by:
Jonathan Alvis
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J Alvis
Chair of Directors

Date: 11 December 2023

DocuSigned by:
A Barry
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A Barry
Interim Chief Executive Officer and Accounting Officer

Parallel Learning Trust

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Governance Statement for the year ended 31 August 2023

Scope of Responsibility

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

The Board of Directors 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 Parallel Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 7 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Category	Committees: (see * below)	Attendance at PLT Board Meetings	Attendance at EPS Committee	Attendance at FRPC Committee	Attendance at Audit & Risk Committee
J Alvis	Chair of Board (Elected as Chair 29.09.2022)	Audit & Risk	7/7			2/3
M Martell	Vice Chair of Board and Chair of EPS	EPS FRPC	7/7	5/5	2/3	
M Jordan	CEO & Accounting Officer	Attended all Committees to provide information	7/7	5/5	3/3	3/3
D Heaton	Director (Resigned as Trustee 2 Dec 2022, appointed as member 19 Jan 2023)		1/2			
I Nath	Director & Chair of FRPC	FRPC	7/7		3/3	
S Lobo	Director	EPS	4/7	2/5		
S Lamb	Director	EPS	0/7	0/5		
P Lawson	Director & Chair of Audit & Risk	Audit & Risk	5/7			3/3
J Fuller	Director (Appointed 29 September 2022)	EPS	7/7	5/5		
K Swift	Director (Appointed 14 November 2022)	Audit & Risk	6/6			2/3
M Szoltysik	Director (Appointed 6 February 2023)	Audit & Risk	2/3			2/2
G Rosato	Director (Appointed 29 September 2022)	FRPC	6/7		3/3	
P Grassi	Director (Appointed 6 February 2023)	FRPC	3/3		2/2	

PLT Committees are:

- Finance, Resource and Premises Committee (FRPC)
- Education Performance and Standards (EPS)
- Audit & Risk

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Governance Statement for the year ended 31 August 2023

Review of Value for Money

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

The accounting officer considers how the 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 or by using a framework where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- Expansion of commissioned pupil numbers at a number of academies to support the greater need for provision of special and AP school places
- Successful delivery of a Condition Improvement Fund project at Wandle Valley Academy for over 500K to upgrade water and heating systems throughout the school
- Investment in the upgrade of IT networking equipment across the Trust, procured in bulk to delivery economies of scale
- Appointing a Business Executive to oversee capital projects and estates management to ensure that the Trust's Academies are fit for purpose.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy 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.

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The Trust appointed Kreston Reeves to undertake internal audit and scrutiny for 2022-23. Key areas of focus were (i) key financial controls and (ii) Governance and compliance. At that time, the outcome of the visits were positive with any recommendations being swiftly acted upon.

Review of Effectiveness

As the Accounting Officer, the Chief Executive Officer 2022/2023 had responsibility for reviewing the effectiveness of the system of internal control.

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Governance Statement for the year ended 31 August 2023


A retrospective plan is in place to address weaknesses and ensure continuous improvement of the systems and controls, this in particular in respect of procurement processes.

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

DocuSigned by:

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J Alvis
Chair of Directors

DocuSigned by:

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A Barry
Interim Chief Executive Officer and Accounting Officer

Date: 11 December 2023

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
Statement of Regularity, Propriety and Compliance

As accounting officer of Parallel Learning Trust, I have considered my responsibility to notify the Trust Board of Directors 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 between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Directors and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Directors and ESFA:

Procurement and Value for Money: During the year the Directors have identified transactions that did not meet the requirements of the Trust's procurement policy, and initial findings suggest that value for money has not been evidenced and approvals have been given via management override.

DocuSigned by:

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A Barry
Interim Accounting Officer

Date: 11 December 2023

Parallel Learning Trust
(A company limited by guarantee)

Statement of Directors' responsibilities
For the year ended 31 August 2023

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

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

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

The Directors 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 Directors and signed on its behalf by:

DocuSigned by:

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J Alvis
Chair of Directors

Date: 11 December 2023

Parallel Learning Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Parallel Learning Trust

Opinion

We have audited the financial statements of Parallel Learning Trust (the 'Trust') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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 Trust'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. We would like, however, to draw attention to the disclosures made by the directors in accounting policy 1.3 in reaching their own conclusion.

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

Our responsibilities and the responsibilities of the Directors 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 Auditors' report thereon. The Directors 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Parallel Learning Trust
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Independent auditors' Report on the financial statements to the Members of Parallel Learning Trust (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report including the Strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 directors' responsibilities, the Directors (who are also the directors of the Trust 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 Directors 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 Directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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

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

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Trust through discussions with management, and from our commercial knowledge and experience of the academy and wider education sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Trust, including the Academy Trust Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

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Independent auditors' Report on the financial statements to the Members of Parallel Learning Trust (continued)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the charitable Trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable Trust's members those matters we are required to state to them in an Auditors' 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 Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 20 December 2023

Parallel Learning Trust

(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Parallel Learning Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 14 September 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Parallel Learning Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Parallel Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Parallel Learning Trust's funding agreement with the Secretary of State for Education dated 1 October 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Parallel Learning Trust for the year ended 31 August 2023 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

In line with the Framework and guide for External Auditors and Reporting Accountants of Academy Trusts issued April 2023, we have not performed any additional procedures regarding the Academy Trust's compliance with safeguarding, health and safety and estates management

Parallel Learning Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Parallel Learning Trust and the Education & Skills Funding Agency (continued)

Conclusion

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

Procurement and Value for Money: During the year the Directors have identified transactions that did not meet the requirements of the Trust's procurement policy, and initial findings suggest that value for money has not been evidenced and approvals have been given via management override. The Trust continues to investigate this matter and in the meantime has shared its concerns with the ESFA.

UHY Kent LLP

UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 20 December 2023

Parallel Learning Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2023

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2022</i> <i>£000</i>
	Note					
Income from:						
Donations and capital grants	4	7	-	953	960	9,942
Other trading activities	5	35	-	-	35	44
Funding for educational operations	6	535	14,216	-	14,751	13,238
Provision of boarding activities	31	-	581	-	581	473
Total income		577	14,797	953	16,327	23,697
Expenditure on:						
Raising funds		19	-	-	19	14
Charitable activities	8	538	14,092	318	14,948	14,111
Provision of boarding activities		-	615	-	615	515
Total expenditure		557	14,707	318	15,582	14,640
Net income		20	90	635	745	9,057
Transfers between funds	20	-	(264)	264	-	-
Net movement in funds before other recognised gains/(losses)		20	(174)	899	745	9,057
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	-	2,444	-	2,444	10,887
Net movement in funds		20	2,270	899	3,189	19,944
Reconciliation of funds:						
Total funds brought forward		619	(6,483)	54,084	48,220	28,276
Net movement in funds		20	2,270	899	3,189	19,944
Total funds carried forward	20	639	(4,213)	54,983	51,409	48,220

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 41 to 66 form part of these financial statements.

Parallel Learning Trust
(A company limited by guarantee)
Registered number: 08605705

Balance sheet
As at 31 August 2023


	Note	2023 £000	<i>As restated</i> 2022 £000
Fixed assets			
Tangible assets	16	54,980	54,026
Current assets			
Stocks		3	4
Debtors	17	1,763	1,017
Cash at bank and in hand		175	1,075
		<u>1,941</u>	<u>2,096</u>
Creditors: amounts falling due within one year	18	(2,808)	(2,569)
Net current liabilities		(867)	(473)
Total assets less current liabilities		<u>54,113</u>	<u>53,553</u>
Creditors: amounts falling due after more than one year	19	-	(391)
Net assets excluding pension liability		<u>54,113</u>	<u>53,162</u>
Defined benefit pension scheme liability	26	(2,704)	(4,942)
Total net assets		<u><u>51,409</u></u>	<u><u>48,220</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	20	54,983	54,084
Restricted income funds	20	(1,509)	(1,541)
Pension reserve	20	(2,704)	(4,942)
Total restricted funds	20	<u>50,770</u>	<u>47,601</u>
Unrestricted income funds	20	639	619
Total funds		<u><u>51,409</u></u>	<u><u>48,220</u></u>

The financial statements on pages 38 to 66 were approved and authorised for issue by the Directors and are signed on their behalf, by:

DocuSigned by:

 1BF6406B48AC4A9...

J Alvis
 Chair of Directors

DocuSigned by:

 8454C9833BAB4FD...

A Barry
 Interim CEO and Accounting Officer

Date: 11 December 2023

The notes on pages 41 to 66 form part of these financial statements.

Parallel Learning Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	(581)	125
Cash flows from investing activities	23	(319)	55
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(900)	180
Cash and cash equivalents at the beginning of the year		1,075	895
		<hr/>	<hr/>
Cash and cash equivalents at the end of the year	24, 25	<u>175</u>	<u>1,075</u>

The notes on pages 41 to 66 form part of these financial statements

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

1. General information

Parallel Learning Trust is a private company, limited by the guarantee of its members, incorporated in England and Wales, registration number 08605705. The registered office is Suite 1, 1 & 2 Leonard Place, Westerham Road, Keston, England, BR2 6HQ.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

Parallel Learning Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

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

These financial statements are prepared on the going concern basis. However, the directors acknowledge the validity of this approach depends on the Trust obtaining sufficient funding from the ESFA and connected local authorities for each provision, that enable continued settlement of historic debt.

As disclosed in note 18, the financial statements provide for a significant liability owed to the London Borough of Lambeth (LBL). This relates to a legal claim issued by LBL against the Trust on 27 January 2017 for unpaid payroll services. A provisional settlement of £3.38m was agreed and with a monthly repayment plan now in place to settle this by March 2024. The balance sheet includes the remaining liability of £350k (see note 18). The agreed monthly repayment plan provides for payments of:

- £53,811 from February 2023 until full repayment in January 2024
- £81,041 estimated accrued legal fees in February and March 2024

A signed legal agreement for the value of the unpaid payroll debt was agreed during 2019-20 along with a provisional cost for legal fees. It is expected that any increase in legal fees should not be significant.

The settlement agreement provides for default protocol but to date the Trust has been able to settle all monthly payments as they fall due and the directors are confident, having considered detailed cash flow forecasts, the Trust will continue to be able to do so.

During 2022/23 the contingent liability for a secondary claim of £929k against the trust by LBL relating to historic pension deficit balances has been resolved. At the triennial actuarial Lambeth LGPS valuation agreement was made with Lambeth LGPS on a repayment plan to reduce the outstanding liability on the pension fund, much of which was inherited at the point of conversion of KPA and PCA. A repayment plan started from April 2023 to pay back £504k over the next 3 years, until the Apr 2026 actuarial valuation reassess the liability.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

2. Accounting policies (continued)

2.3 Income

All income is recognised when the 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 entitlement occurs before income is received, the income is accrued.

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the Trust)**

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

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity

• **Expenditure on raising funds**

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

Where applicable, expenditure is shown are inclusive of irrecoverable VAT.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

2. Accounting policies (continued)

2.5 Taxation

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

2.6 Tangible fixed assets

Assets costing £5,000 or more for a single item and £10,000 or more for group purchases of similar items are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- over lease term of 125 years
Leasehold improvements	- 10% per annum
Furniture and equipment	- 20% per annum
Computer equipment	- 20% - 33% per annum

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.

2.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.8 Cash at bank and in hand

Cash at bank and in hand comprises cash held in a central current account.

2.9 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 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.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

2. Accounting policies (continued)

2.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 18 and 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.11 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

2.12 Pensions

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

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

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

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

2.13 Fund accounting

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

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

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

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

3. Critical accounting estimates and areas of judgment

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 ultimate responsibility for setting the LGPS assumptions is that of the Trust, as the employer, however each year the LGPS actuaries each propose a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. Since the Trust has academies across multiple Local Authorities, who use different actuaries, a number of different assumptions have been used for individual valuation reports. However the Trust has, in practice with most employers, in each case adopted the recommended actuarial assumptions, having also consulted with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate used is higher than the rate used in 2022, and since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities.

Critical areas of judgment:

LGPS pension asset recognition

FRS 102 section 28.22 allows an entity to recognise a pension asset "only to the extent it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan."

Whilst both the Kent and Essex Pension Fund LGPS actuarial valuation reports for the year ended 31 August 2023 indicate defined benefit assets (Kent - £74k, Essex - £103k) existed at the year end date, the Trustees have considered that there is insufficient evidence that these surpluses would ever result in a repayment or reduction in contributions, given that such surpluses are probably only temporary. Also, since the Trust is a longer term employer that is open to new members, there isn't a reasonable expectation that the Trust will ever reach a point of cessation that would enable access to a return of a surplus.

The overall actuarial gain has therefore been restricted by the combined £177k to leave a break even position, with neither an asset or liability recognised for the Trust's Kent and Essex academies within the overall defined benefit pension obligation.

The Trust is responsible for academies in two other Local Authorities: London Borough of Lambeth and London Borough of Sutton. The valuation reports for these both show defined benefit pension deficits at 31 August 2023, and thus the overall deficit of £2.7m shown on the balance sheet is the combined deficits arising in these two Local Authorities.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2023

4. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Donated assets	-	-	-	9,881
Donations	7	-	7	3
Capital grants	-	953	953	58
	<u>7</u>	<u>953</u>	<u>960</u>	<u>9,942</u>
<i>Analysis of 2022 total by fund</i>	<u>3</u>	<u>9,939</u>	<u>9,942</u>	

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Hire of facilities	35	35	44
	<u>44</u>	<u>44</u>	
<i>Analysis of 2022 total by fund</i>			

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

6. Funding for educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,999	4,999	5,010
Other DfE/ESFA grants				
Pupil premium	-	289	289	287
Specialist taskforce grant	-	377	377	153
Others	-	94	94	127
	-	5,759	5,759	5,577
Other Government grants				
Local authority - special educational projects	-	7,858	7,858	6,627
Other government revenue grants	-	407	407	465
	-	8,265	8,265	7,092
Other income from educational operations	535	-	535	429
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	192	192	140
	-	192	192	140
	535	14,216	14,751	13,238
<i>Analysis of 2022 total by fund</i>	429	12,809	13,238	

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

7. Expenditure

	Staff Costs	Premises	Other	Total	<i>As restated</i>
	2023	2023	2023	2023	<i>Total</i>
	£000	£000	£000	£000	<i>2022</i>
					<i>£000</i>
Expenditure on fundraising trading activities:					
Direct costs	-	-	19	19	14
Educational operations:					
Direct costs	10,153	-	943	11,096	9,997
Allocated support costs	1,333	1,401	1,118	3,852	4,114
Boarding activities:					
Direct costs	326	-	11	337	268
Allocated support costs	238	21	19	278	247
	<u>12,050</u>	<u>1,422</u>	<u>2,110</u>	<u>15,582</u>	<u>14,640</u>
<i>Analysis of 2022 total</i>	<u>11,766</u>	<u>1,122</u>	<u>1,752</u>	<u>14,640</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted	Restricted	Total	<i>As restated</i>
	funds	funds	2023	<i>Total</i>
	2023	2023	2023	<i>2022</i>
	£000	£000	£000	<i>£000</i>
Educational operations	538	14,410	14,948	14,111
	<u>538</u>	<u>14,410</u>	<u>14,948</u>	
<i>Analysis of 2022 total by fund</i>	<u>643</u>	<u>13,468</u>	<u>14,111</u>	

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

9. Analysis of expenditure by activities

	Direct costs	Support costs	Total	<i>As restated</i>
	2023	2023	funds	<i>Total</i>
	£000	£000	2023	<i>funds</i>
			£000	<i>2022</i>
				<i>£000</i>
Educational operations	11,096	3,852	14,948	14,111
<i>Analysis of 2022 total</i>	<i>9,997</i>	<i>4,114</i>	<i>14,111</i>	

Analysis of support costs

	Total	<i>As restated</i>
	funds	<i>Total</i>
	2023	<i>funds</i>
	£000	<i>2022</i>
		<i>£000</i>
Staff costs	1,333	2,106
Depreciation	318	329
Technology costs	194	119
Premises costs	1,119	851
Legal costs	46	14
Governance costs	46	43
Other support costs	796	652
	3,852	4,114

10. Net income

Net income for the year includes:

	2023	<i>2022</i>
	£000	<i>£000</i>
Operating lease rentals	49	26
Depreciation of tangible fixed assets	318	327
Fees paid to auditors for:		
- audit	22	23
- other services	7	7

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
Wages and salaries	7,789	7,736
Social security costs	823	763
Pension costs	1,822	2,603
	<u>10,434</u>	<u>11,102</u>
Agency staff costs	1,558	650
Staff restructuring costs	58	14
	<u>12,050</u>	<u>11,766</u>

Staff restructuring costs comprise:

	2023	<i>2022</i>
	£000	<i>£000</i>
Redundancy payments	-	14
Severance payments	58	-
	<u>58</u>	<u>14</u>

b. Severance payments

The Trust paid 4 severance payments in the year, disclosed in the following bands:

	2023
	No.
£0 - £25,000	3
£25,001 - £50,000	1
	<u>4</u>

c. Special staff severance payments

Included in staff restructuring costs is a special severance payment of £35,000.

Parallel Learning Trust
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Notes to the financial statements
For the year ended 31 August 2023

11. Staff (continued)

d. Staff numbers

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Teachers	63	78
Administration and support	116	122
Management	17	25
	<u>196</u>	<u>225</u>

e. Higher paid staff

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

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	4	7
In the band £80,001 - £90,000	4	1
In the band £90,001 - £100,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
In the band £160,001 - £170,000	1	1
	<u>1</u>	<u>1</u>

f. Key management personnel

The key management personnel of the Trust comprise the Directors and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £420k (2022 - £409k).

12. Directors' remuneration and expenses

The CEO during the year, who was the Accounting Officer, has been paid remuneration as a result of his employment with the Trust. The CEO only received remuneration in respect of services provided under his contract of employment. The value of his remuneration was as follows:

		2023	<i>2022</i>
		£000	<i>£000</i>
M Jordan (CEO and Accounting Officer) - resigned 27 September 2023:	Remuneration	165 - 170	160 - 165

During the year ended 31 August 2023, travel and subsistence expenses totalling £359 were reimbursed or paid directly to 5 Directors (2022 - £NIL to Director).

Parallel Learning Trust**(A company limited by guarantee)**

**Notes to the financial statements
For the year ended 31 August 2023**

13. Directors' and Officers' insurance

The 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 Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Directors and officers indemnity element from the overall cost of the RPA scheme membership.

14. Central services

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

Accounting Officer

The Trust will provide the Accounting Officer for all Academies in the form of a Chief Executive (CEO).

Chief Finance Officer (CFO)

The Trust will provide the CFO role.

Core educational support

The Trust will offer the deployment of key staff to support the following:

- Quality assurance of key subjects
- Funding to support Executive leadership responsibilities
- 'Sleuth' behaviour and development tracking software
- 'Perspective' online application to improve SEN processes and impact on quality of education.
- Access to 'The Key' online management information service

Legal and Governance

The Trust will provide the following elements to cover the Legal and Governance requirements:

- Governance and compliance administration to monitor and advise school on legal issues
- External quality assurance costs as directed by the Quality assurance committee
- Clerking costs for the Board and Board committees
- Governance training support package
- GDPR Sentry Online System

Financial Management

The Trust will provide the following elements to cover the financial management requirements:

- Head of Finance to ensure compliance and provide monitoring and support
- All licence costs associated with Finance systems
- Audit fees (both internal and external)
- Training and development costs

Human resources and payroll

The Trust will provide the following elements to cover the HR requirements:

- HR Officer to support recruitment, compliance and provide monitoring and support
- Access to HR consultancy services through Thinking Personnel
- Staff Wellbeing and Occupational Health Service
- Access to ETeach recruitment system
- Educare e-learning service

IT and communications

The Trust will provide the following elements to cover the IT requirements:

- IT manager to ensure compliance and provide monitoring and support
- IT project manager to provide bespoke support for IT projects
- IT Helpdesk system
- All costs linked to websites hosting and developing and audit

Estates

The Trust will provide the following elements to cover the Estates management requirements:

- Access to an Estates Manager to ensure compliance and provide monitoring and support
- Management of capital projects
- Review of key contracts to ensure that best value is offered to schools
- Business Executive Officer to support estates management and compliance

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14. Central services (continued)

Other

The Trust will also cover:

- All costs associated with Head office

The Trust charges for these services on the following basis:

6.5% of ESFA and other government grant funding.

The actual amounts charged during the year were as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
Evolve Academy	173	<i>170</i>
Ramsden Hall Academy	203	<i>185</i>
Sutton House Academy	102	<i>95</i>
Victory Park Academy	105	<i>97</i>
Inspire Academy	112	<i>103</i>
Wandle Valley Academy	169	<i>164</i>
Total	864	<i>814</i>

Funds of £604k (*2022 - £610k*) were also transferred in the year to the Central Trust from Park Campus Academy (£403k) and Kennington Park Academy (£201k). This represents the repayments made in the year of the provisional debt settlement sum due to London Borough of Lambeth for unpaid payroll services (see also note 18).

15. Prior year adjustments

In the prior year, an impairment charge of £2,593k was made to reduce the value of long-term leasehold property. It has subsequently been identified that this adjustment was made in error. Therefore, a prior year adjustment has been made to reverse the impairment and restate the property value to that provided by the ESFA desktop valuation process. The effect has been to increase the net book value of tangible fixed assets and the fixed asset fund at 1 September 2022 by £2,593k and reduce support costs in the prior year by the same amount.

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For the year ended 31 August 2023

16. Tangible fixed assets

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022 (as previously stated)	53,276	-	253	636	54,165
Prior Year Adjustment	2,638	-	-	-	2,638
At 1 September 2022 (as restated)	55,914	-	253	636	56,803
Additions	952	266	-	54	1,272
Disposals	-	-	-	(314)	(314)
At 31 August 2023	56,866	266	253	376	57,761
Depreciation					
At 1 September 2022 (as previously stated)	1,909	-	240	583	2,732
Prior Year Adjustment	45	-	-	-	45
At 1 September 2022 (as restated)	1,954	-	240	583	2,777
Charge for the year	282	-	8	28	318
On disposals	-	-	-	(314)	(314)
At 31 August 2023	2,236	-	248	297	2,781
Net book value					
At 31 August 2023	54,630	266	5	79	54,980
At 31 August 2022 (as restated)	53,960	-	13	53	54,026

Included in long-term leasehold property is land at value of £23.94m (2022 - £23.94m), which is not depreciated.

17. Debtors

	2023 £000	2022 £000
Trade debtors	821	507
Other debtors	128	64
Prepayments and accrued income	814	446
	1,763	1,017

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18. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£000	<i>£000</i>
Trade creditors	805	<i>270</i>
London Borough of Lambeth settlement	350	<i>546</i>
Other taxation and social security	167	<i>158</i>
Other creditors	456	<i>420</i>
Accruals and deferred income	1,030	<i>1,175</i>
	<u>2,808</u>	<u><i>2,569</i></u>

Creditors at 31 August 2023 include a balance of £350k (2022 - £937k across amounts falling due within and after more than one year) in respect of a debt settlement sum due to London Borough of Lambeth for unpaid payroll services. The amount is being paid by monthly instalments and under the terms of the settlement agreement is expected to be repaid in full by March 2024.

	2023	<i>2022</i>
	£000	<i>£000</i>
Deferred income at 1 September 2022	197	<i>77</i>
Resources deferred during the year	48	<i>197</i>
Amounts released from previous periods	(197)	<i>(77)</i>
	<u>48</u>	<u><i>197</i></u>

At the balance sheet date, the Trust was holding funds received in advance for the 2023/24 academic year for Local Authority grant funding.

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

	2023	<i>2022</i>
	£000	<i>£000</i>
London Borough of Lambeth settlement	-	<i>391</i>
	<u>-</u>	<u><i>391</i></u>

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20. Statement of funds

	As restated Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General funds	619	577	(557)	-	-	639
Restricted general funds						
General Annual Grant (GAG)	(2,046)	4,999	(4,963)	(264)	-	(2,274)
Other DfE/ESFA grants	41	952	(952)	-	-	41
Other government grants	464	8,846	(8,586)	-	-	724
Pension reserve	(4,942)	-	(206)	-	2,444	(2,704)
	<u>(6,483)</u>	<u>14,797</u>	<u>(14,707)</u>	<u>(264)</u>	<u>2,444</u>	<u>(4,213)</u>
Restricted fixed asset funds						
Fixed assets	54,026	-	(318)	1,272	-	54,980
DfE/ESFA capital grants	58	953	-	(1,008)	-	3
	<u>54,084</u>	<u>953</u>	<u>(318)</u>	<u>264</u>	<u>-</u>	<u>54,983</u>
Total Restricted funds	<u>47,601</u>	<u>15,750</u>	<u>(15,025)</u>	<u>-</u>	<u>2,444</u>	<u>50,770</u>
Total funds	<u>48,220</u>	<u>16,327</u>	<u>(15,582)</u>	<u>-</u>	<u>2,444</u>	<u>51,409</u>

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

General Annual Grant ('GAG') must be used for the normal running costs of the Trust.

The other DfE/ESFA grant fund is used to track non-GAG revenue grant funding received from the DfE/ESFA and connected bodies, and principally includes the material grants detailed separately in note 6.

The other government grants fund is used to track grants provided by government departments other than the DfE/ESFA and includes grants received from Local Authorities.

Covid catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19).

The pension reserve relates to the Trust's share of the surplus or deficits on the Local Government Pension Schemes overseen by its Local Authorities.

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Notes to the financial statements
For the year ended 31 August 2023

20. Statement of funds (continued)

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The net transfers into the restricted fixed asset fund of £66k reflect capital purchases made from revenue funds.

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

The Trust is carrying a net deficit of £1.509m (2022: £1.541m) on restricted general funds (excluding pension reserves). The reasons for this, and the action being taken, is covered on page 58 when the deficits within the Central Trust function and Evolve Academy are explained.

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

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
Unrestricted funds						
General funds	800	476	(657)	-	-	619
Restricted general funds						
General Annual Grant (GAG)	(2,235)	5,010	(4,818)	(3)	-	(2,046)
Other DfE/ESFA grants	-	707	(666)	-	-	41
Other government grants	-	7,565	(7,101)	-	-	464
Catch-up premium	6	-	(6)	-	-	-
Pension reserve	(14,766)	-	(1,063)	-	10,887	(4,942)
	<u>(16,995)</u>	<u>13,282</u>	<u>(13,654)</u>	<u>(3)</u>	<u>10,887</u>	<u>(6,483)</u>
Restricted fixed asset funds						
Fixed assets	44,471	9,881	(329)	3	-	54,026
DfE/ESFA capital grants	-	58	-	-	-	58
	<u>44,471</u>	<u>9,939</u>	<u>(329)</u>	<u>3</u>	<u>-</u>	<u>54,084</u>
Total Restricted funds	<u>27,476</u>	<u>23,221</u>	<u>(13,983)</u>	<u>-</u>	<u>10,887</u>	<u>47,601</u>
Total funds	<u><u>28,276</u></u>	<u><u>23,697</u></u>	<u><u>(14,640)</u></u>	<u><u>-</u></u>	<u><u>10,887</u></u>	<u><u>48,220</u></u>

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20. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
Ramsden Hall Academy	535	585
Inspire Academy	737	678
Sutton House Academy	385	366
Victory Park Academy	284	255
Wandle Valley Academy	1,228	999
Central	(2,375)	(2,273)
Evolve Academy	(1,664)	(1,532)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	(870)	(922)
Restricted fixed asset fund	54,983	54,084
Pension reserve	(2,704)	(4,942)
	<hr/>	<hr/>
Total	51,409	48,220
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit
	£000
Central	(2,358)
Evolve Academy	(1,664)
	<hr/> <hr/>

Evolve Academy was formed on 1 November 2022 on the merger of Park Campus Academy and Kennington Park Academy. The individual deficits for these two academies at 31 August 2022 of £1,313k and £219k respectively have been combined and shown as the comparative reserve balance for Evolve.

Evolve Academy is carrying a large deficit as a consequence of poor financial management many years ago, overseen by the previous executive team. Evolve Academy have been required to repay a £3m payroll debt over the last 5 years, alongside significant secondary rate pension contributions totalling £256k per annum. Over the last two years pupil numbers and funding levels have reduced at Evolve Academy which has further exacerbated the challenge. To support Evolve Academy during this period the Central function has provided some subsidy to the academy which has increased it's own deficit position. Positively, the payroll debt repayments will finish in March 2024 and the secondary rate contributions for pensions have been reduced for the next 3 years. This will support Evolve Academy's ability to operate without any subsidy from Central and begin to repay prior year subsidies. Evolve Academy are reviewing their current commissioning arrangements with the ambition of increasing pupil numbers going forward which will help improve the deficit position.

The Central function deficit is thus predominantly linked to financial challenges arising from the historic payroll debt at Evolve Academy (see going concern policy 2.2 for more details). As the remaining payroll debt is repaid over the next 7 months, the revenue movement on the balance sheet will be a transfer of funds from Evolve Academy back to Central which will help to clear the Central deficit balance.

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Notes to the financial statements
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20. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	<i>Total 2022 £000</i>
Park Campus Academy	-	-	-	-	-	1,483
Kennington Park Academy	-	-	-	-	-	1,272
Ramsden Hall Academy	2,108	304	183	469	3,064	2,820
Inspire Academy	1,300	151	86	185	1,722	1,505
Sutton House Academy	1,089	143	168	211	1,611	1,305
Victory Park Academy	1,153	104	111	216	1,584	1,470
Wandle Valley Academy	1,733	216	155	322	2,426	2,311
Central	731	345	112	377	1,565	2,145
Evolve Academy	2,365	308	221	398	3,292	-
Trust	10,479	1,571	1,036	2,178	15,264	14,311

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	54,980	54,980
Current assets	639	1,299	3	1,941
Creditors due within one year	-	(2,808)	-	(2,808)
Provisions for liabilities and charges	-	(2,704)	-	(2,704)
Total	639	(4,213)	54,983	51,409

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Notes to the financial statements
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21. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>As restated Restricted fixed asset funds</i>	<i>Total funds</i>
	<i>2022</i>	<i>2022</i>	<i>2022</i>	<i>2022</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Tangible fixed assets	-	-	54,026	54,026
Current assets	619	1,419	58	2,096
Creditors due within one year	-	(2,569)	-	(2,569)
Creditors due in more than one year	-	(391)	-	(391)
Provisions for liabilities and charges	-	(4,942)	-	(4,942)
Total	619	(6,483)	54,084	48,220

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

	2023	<i>As restated</i>
	£000	<i>2022</i>
		<i>£000</i>
Net income for the year (as per Statement of financial activities)	745	9,057
Adjustments for:		
Depreciation	318	329
Capital grants from DfE and other capital income	(953)	(58)
Defined benefit pension scheme cost less contributions payable	3	821
Defined benefit pension scheme finance cost	203	242
Decrease in stocks	1	-
Increase in debtors	(746)	(117)
Decrease in creditors	(152)	(268)
Donated fixed assets	-	(9,881)
Net cash (used in)/provided by operating activities	(581)	125

23. Cash flows from investing activities

	2023	<i>2022</i>
	£000	<i>£000</i>
Purchase of tangible fixed assets	(1,272)	(3)
Capital grants from DfE Group	668	58
Capital funding received from sponsors and others	285	-
Net cash (used in)/provided by investing activities	(319)	55

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24. Analysis of cash and cash equivalents

	2023	<i>2022</i>
	£000	<i>£000</i>
Cash in hand and at bank	175	1,075

25. Analysis of changes in net debt

	At 1		At 31 August
	September	Cash flows	2023
	2022	£000	£000
	£000		£000
Cash at bank and in hand	1,075	(900)	175

26. Pension commitments

The 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. The LGPS is a national pension scheme which is administered through numerous local pension funds. Due to the location of the Trust's academies, the four administering Local Authorities are Kent County Council, Essex County Council, London Borough of Lambeth and London Borough of Sutton. Both the TPS and LGPS are multi-employer defined benefit schemes.

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

Contributions amounting to £154,000 were payable to the schemes at 31 August 2023 (*2022 - £167,000*) and are included within creditors.

Teachers' Pension Scheme

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

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

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Notes to the financial statements
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26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The revised employer contribution rate, arising from the 2020 valuation, is due to be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £901,000 (2022 - £944,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £888,000 (2022 - £746,000), of which employer's contributions totalled £715,000 (2022 - £596,000) and employees' contributions totalled £173,000 (2022 - £150,000). The agreed contribution rates for future years are set until April 2023 for employers and 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.

Principal actuarial assumptions

	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.55	3.90
Rate of increase for pensions in payment/inflation	2.95	3.00
Discount rate for scheme liabilities	5.25	4.25
Inflation assumption (CPI)	2.95	3.00

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26. Pension commitments (continued)

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

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	21.1	21.2
Females	23.8	23.7
<i>Retiring in 20 years</i>		
Males	22.4	22.6
Females	25.2	25.3

Share of scheme assets

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

	At 31 August	<i>At 31 August</i>
	2023	<i>2022</i>
	£000	<i>£000</i>
Equities	5,961	5,667
Gilts	1,904	1,708
Corporate bonds	164	312
Property	1,011	1,059
Cash and other liquid assets	583	411
Other	1,381	1,009
Total market value of assets	11,004	<i>10,166</i>

The actual return on scheme assets was £33,000 (2022 - £(761,000)).

The amounts recognised in the Statement of financial activities are as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
Current service cost	(715)	(1,414)
Interest income	445	177
Interest cost	(648)	(419)
Administrative expenses	(3)	(3)
Total amount recognised in the Statement of financial activities	(921)	<i>(1,659)</i>

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26. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	15,108	25,215
Current service cost	715	1,414
Interest cost	648	419
Employee contributions	173	150
Actuarial gains	(2,687)	(11,833)
Benefits paid	(249)	(257)
At 31 August	<u>13,708</u>	<u>15,108</u>

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

	2023	2022
	£000	£000
At 1 September	10,166	10,449
Interest income	445	177
Actuarial losses	(243)	(946)
Employer contributions	715	596
Employee contributions	173	150
Benefits paid	(249)	(257)
Administration expenses	(3)	(3)
At 31 August	<u>11,004</u>	<u>10,166</u>

27. Operating lease commitments

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

	2023	2022
	£000	£000
Not later than 1 year	11	29
Later than 1 year and not later than 5 years	3	15
	<u>14</u>	<u>44</u>

28. Members' liability

Each member of the Trust undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

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29. Controlling party

The Trust is run by the senior management team on a day to day basis. Strategic decisions are made by the directors. There is no ultimate controlling party.

30. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions entered into and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place during the year:

Expenditure related party transactions:

Employment of close family members

Under FRS 102 the close family of members or trustees of the Trust, or key management personnel, are deemed to be related parties.

During the year the following close family members of such individuals were employed by the Trust and paid a salary under an employment contract for their individual roles:

R. Ashkettle, the brother-in-law of the previous CEO, M. Jordan, is employed as a Health & Safety Officer.

The relevant connected individual had no involvement in the appointment of their close family member and the Board of Trustees are comfortable that the salary paid provides value for money and is not at a preferential rate.

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31. Boarding school trading account

	2023	2023	<i>2022</i>	<i>2022</i>
	£000	£000	<i>£000</i>	<i>£000</i>
Income				
Direct income				
Grants	581		473	
Total income		581		473
Expenditure				
Direct expenditure				
Direct staff costs	326		259	
Educational supplies	11		9	
Total direct expenditure	<u>337</u>		<u>268</u>	
Other expenditure				
Other staff costs	238		211	
Premises costs	21		17	
Other support costs	19		19	
Total other expenditure	<u>278</u>		<u>247</u>	
Total expenditure		615		515
Deficit from all sources		(34)		(42)
Opening balance		(42)		-
Boarding school balances at 31 August 2023		<u><u>(76)</u></u>		<u><u>(42)</u></u>