



Parallel Learning Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2024

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 Parallel Learning Trust, its Directors and Advisors

Members

J Buckley
S Butcher
D Heaton
C Malec
D Ward

Directors

J Alvis (Chair)
J Fuller
P Grassi
P Lawson
M Jordan (CEO and Accounting Officer) (resigned 20 September 2023)
S Lamb (resigned 25 September 2023)
S Lobo
M Martell (Vice Chair)
Dr I Nath
G Rosato
K Swift
M Szoltysik (resigned 3 December 2024)

Senior Management Team:

Chief Executive Officer (CEO)
Chief Finance Officer
Director of Performance and Standards

M Jordan (resigned 20 September 2023)
H Cardy (resigned 16 August 2024)
M O'Donnell (became Head Teacher of Inspire Academy 1 July 2024)

Interim CEO and Accounting Officer
Interim (off-payroll) CFO

A Barry (appointed 28 September 2023)
D High (appointed 17 August 2024)

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 Hacker Young
Thames House, Roman Square, Sittingbourne, Kent, ME10 4BJ

Bankers

Lloyds Bank PLC
George Street, Croydon, CR9 2NS

Solicitors

Browne Jacobson LLP (Appointed 01/10/2024 on an ad hoc basis)
15th Floor, 6 Bevis Marks, London, EC3A 7BA

Geldards LLP, Enterprise House 1-2 Hatfields
London, SE1 9PG

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Directors' Report for the year ended 31 August 2024

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 2023 to 31 August 2024.

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 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 Interim CEO is not a director.

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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Directors' Report for the year ended 31 August 2024

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 CC10- 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.

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.

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Directors’ Report for the year ended 31 August 2024

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

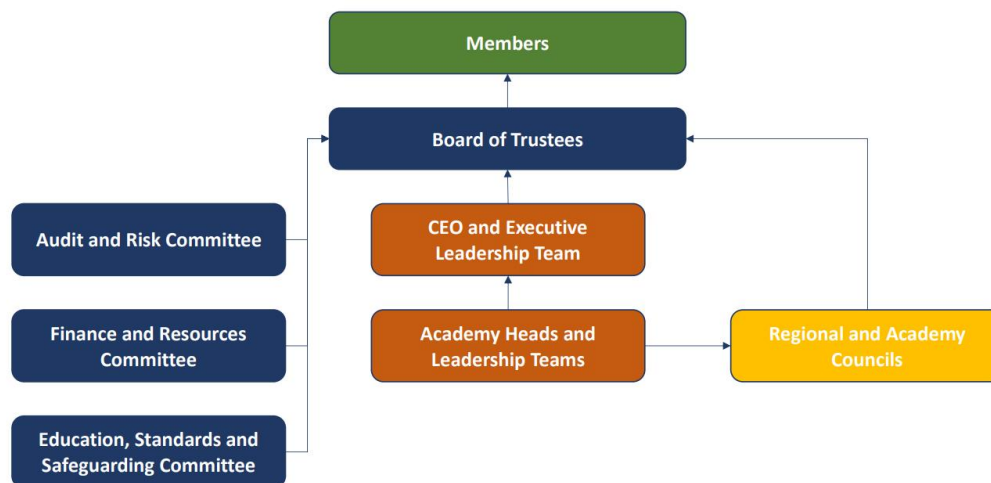
- Health and Safety
- Employment Law
- Financial management
- Diversity and Equal Opportunities

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



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 endeavour to act in accordance with education law and considered advice given by the Interim Chief Executive.

The Role of the Interim Chief Executive

The Interim Chief Executive is not a Director of the Parallel Learning Trust Board but does attend the Trust Board meetings as well as all the committees of the Trust.

The Interim CEO, as the principal leader for the academies’ Head Teachers, supports the internal organisation, management and control of the academies; The Interim CEO also advises the Trust Board members and ensures the implementation of the academies’ strategic plans focusing on:

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- Formulating aims and objectives, for adoption, amendment or rejection by the Board.
- Ensuring that the statutory policies are updated in line with legislation.
- Reporting to the Trust Board, through the Education & Standards Committee re: student progress
- Ensuring that the Board are aware of the principal risks to the Trust and its schools.

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

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 Academy Councils 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.

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) Standards
 - c) Behaviour & Safety
 - d) 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 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

Following a successful appraisal cycle, unless a member of staff is at the top of their pay range or within a Formal Capability process, then an increment will be awarded in line with the Trust's Pay Policy.

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Related Parties and other Connected Charities and Organisations

There were no any related party transactions during 2023-24.

The Trust follows several 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 has been used this year and best practice is that this is completed for all relevant purchases over £5,000 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.

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:

- To review, evaluate and improve Governance at strategic Board level
- Improve standard of financial awareness, skills and monitoring across all academies providing appropriately detailed information to Academy Councils and the Board
- To build a 'family' of Good and Outstanding cross-phase Academies that provide the best possible outcomes for pupils
- Continue to build transferable leadership and infrastructure models for the successful delivery of learning in existing and new sponsored academies.
- 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.

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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
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

The Directors have undertaken independent Quality Assurance inspections for those Academies which did not have an Ofsted inspection during the year. The outcomes of those reviews are shown in the table below:

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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(2)	2	2	2	2
Sutton House Academy	2(2)	2(2)	2(2)	2(2)	2(2)
Victory Park Academy	2(2)	2(2)	2(2)	1(1)	2(2)
Inspire Academy	2 (2)	2(2)	2(2)	2(2)	2(2)
Evolve * Not had Ofsted	(3)	(2)	(3)	(3)	2
Wandle Valley Academy	2 (2)	2(2)	2(2)	2(2)	2(1)
1 - Outstanding 2 - Good 3 - Requires Improvement 4 - Inadequate					

As a result of these independent inspections a set of Improvement Priorities have been set as follows:

- A focus on pupil feedback and incorporating directed Improvement and reflection time (DIRT) time regularly in lessons across the curriculum.
- To promote a love of reading for all pupils whilst creating life-long readers who are able to access the curriculum with independence and confidence so that they go on to be successful in post 16 education and beyond.
- To follow numeracy action plan and monitor numeracy interventions.
 To support and develop instructor skill set and subject knowledge as well as employing and retaining staff.

PLT GCSE Performance 2023/2024

Year 11 GCSE Outcomes are shown in the tables below. Headlines are as follows:

- The % of pupils achieving at least five (9-4 or equivalent) qualifications (inc. English and Maths) has increased by 12.05% across PLT, 27.14% on AP's and 1.79% on SEMH.
- The % of pupils achieving at least five (9-1 or equivalent) qualifications has increased by 26.12% across PLT, 13.38% on AP and 36.64% on SEMH.
- The % of pupil premium achieving a GCSE qualification in both English & Maths (1-9) has increased by 21% across the trust, 1% on AP and 18.71% on SEMH.
- Girls have performed better than boys across the trust PLT 49%, AP 27.89% and SEMH 20.77% have achieved at least five qualification (9-1 or equivalent) including English and Maths.
- WVA has experienced consistent growth each year and this is their best GCSE grades that pupils have achieved.
- Evolve AP has consistently achieved at least five (9-4 or equivalent) qualification including English and Maths, which is the best outcomes across the trust (62.5%).
- Evolve SEMH outcomes has seen an increase of 10% of pupils achieving of at least five 9-1 or equivalent qualifications in 2024 compared to the same data for 2023.
- Inspire has seen a decrease of 22.67% in comparison to the 2023 percentage of pupils achieving at least five (9-1 or equivalent) qualification including English and Maths.
- Only 1 (5%) out of 20 pupils in Ramsden Hall has achieved at least five (9-1 or equivalent) qualification including English and Maths. However, 75% of pupils have left with Maths Functional skills and 55% with English.
- 80.95% of pupils in Victory Park have achieved at least five (9-1 or equivalent) qualification including English and Maths.
- Sutton House has seen a decrease on pupils achieving at least five (9-1 or equivalent) qualification including English and Maths by 33.4% compared to previous year. However, they have seen an increase on English and Maths Functional skills.

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- Since the autumn focus on RPI processes, across the Board there are fewer instances of RPI which is a pleasing outcome for the 23/24 year.
- For the coming year, attendance needs to be an urgent focus for all the academies to ensure that the students are actually within school to ensure that they are able to access the necessary resources, including face to face teaching.

PLT - GCSE OUTCOME QUALIFICATIONS - 2023/2024									
Year 11	Inspire (SEMH)		Evolve (SEMH)		Evolve (AP)		Ramsden Hall (SEMH)		
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	
Number of Year 11 Pupils on roll	9	12	7	7	21	16	17	20	
	%	%	%	%	%	%	%	%	
% achieving at least five (9-4 or equivalent) qualifications (inc. English and Maths)	0%	0.00%	0.0%	0.00%	9.5%	62.50%	0.0%	5.00%	
% achieving at least five (9-1 or equivalent) qualifications (inc. English and Maths)	56%	33.33%	42.9%	42.86%	47.6%	68.75%	11.8%	5.00%	
% achieving at least five (9-1 or equivalent) qualifications	67%	58.33%	42.9%	57.14%	47.6%	68.75%	11.8%	115.00%	
% achieving a GCSE qualification in both English & Maths (1-9)	56%	33.33%	28.6%	42.86%	47.6%	68.75%	11.8%	5.00%	
% achieving a GCSE qualification in English (1-9)	56%	50.00%	28.6%	42.86%	42.9%	62.50%	11.8%	5.00%	
% achieving a GCSE qualification in Maths (1-9)	67%	58.33%	42.9%	28.57%	47.6%	68.75%	58.8%	15.00%	
% achieving a Functional Skills qualification in Maths (L1 - L2)	L1	44%	8.33%	42.9%	71.43%	28.6%	0.00%	41.2%	50.00%
	L2	0%	0.00%	42.9%	28.57%	61.9%	81.25%	29.4%	25.00%
% achieving a Functional Skills qualification in English (L1 - L2)	L1	44%	8.33%	71.4%	85.71%	61.9%	0.00%	52.9%	45.00%
	L2	0%	8.33%	0.0%	14.29%	19.0%	75.00%	23.5%	10.00%

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PLT - GCSE OUTCOME QUALIFICATIONS - 2023/2024							
Year 11	Sutton House (SEMH)		Victory Park (AP)		Wandle Valley (SEMH)		
	2022/23	2023/24	2022/23	2023/24	2022/23	2023/24	
Number of Year 11 Pupils on roll	3	9	19	21	15	8	
	%	%	%	%	%	%	
% achieving at least five (9-4 or equivalent) qualifications (inc. English and Maths)	0.0%	0.00%	5.3%	14.29%	0%	0.00%	
% achieving at least five (9-1 or equivalent) qualifications (inc. English and Maths)	66.7%	33.33%	84.2%	80.95%	27%	12.50%	
% achieving at least five (9-1 or equivalent) qualifications	66.7%	33.33%	84.2%	85.71%	27%	25.00%	
% achieving a GCSE qualification in both English & Maths (1-9)	66.7%	33.33%	73.7%	80.95%	27%	37.50%	
% achieving a GCSE qualification in English (1-9)	66.7%	44.44%	84.2%	80.95%	27%	50.00%	
% achieving a GCSE qualification in Maths (1-9)	66.7%	44.44%	73.7%	80.95%	27%	37.50%	
% achieving a Functional Skills qualification in Maths (L1 - L2)	L1	0.0%	11.11%	78.9%	85.71%	0%	37.50%
	L2	0.0%	11.11%	5.3%	0.00%	0%	12.50%
% achieving a Functional Skills qualification in English (L1 - L2)	L1	100.0%	33.33%	68.4%	90.48%	33%	37.50%
	L2	33.3%	22.22%	15.8%	0.00%	0%	37.50%

Behaviour, Attendance and Safeguarding

Information about the Academies to support the understanding of the data

Academy	Type of Provision	Location
Ramsden Hall	SEMH	Essex
Victory Park	AP/PRU	South End
Sutton House	SEMH	South End
Evolve Kennington	AP/PRU	Inner London, Lambeth
Inspire	SEMH	Medway
Evolve West Norwood	SEMH	Inner London, Lambeth
Wandle Valley	SEMH	Outer London, Sutton

Since January 2024 (new interim PLT Lead in post) we have been working as a Trust to make sure that the data we are producing is not only accurate, but also meaningful and able to support positive change.

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After a series of meetings with the Behaviour, Safeguarding and HR Leads to discuss issues and how to support best, we then turned to look at each of these areas individually. As a result, we analysed the data that each academy was producing. From this work, it was agreed that we would have to implement changes. This was due to the realisation that the information that was being reported by our staff, coupled with the way the systems were set up, was not producing accurate and meaningful data. As a result of the implementation of these changes it is not possible to directly compare this year's data with that of the data within last year's annual report.

One of the main objectives was to change how we record data relating to behaviour. This was also to support each academy for when they ultimately move across to its new Trust and to make it not only more meaningful but also easier to import to other systems if the incoming trusts use different systems for recording for recording behaviour incidents. The changes have also tried to decrease staff workload.

Behaviour

As stated, a number of meetings were held to gain clarity of this area across the Trust and the data in which we were producing.

What were the findings –

- Restraint & Physical Interventions (RPIs) – each academy was reporting these very differently and as a result there have been changes in the way we report these now.
- Behaviour Points (both positive and negative) – each academy had these set up very differently and therefore data was not comparable (this is still a problem as the reporting is very much set up to each academy's need, and needs to remain this way to allow for the most positive use of data for them).
- Behaviour Leads – were doing a lot of manual work, gathering data from a system and then producing documents to share with Academy Councils, PLT Behaviour Lead and information for reports like this.
- Data – we were producing and sharing a lot of data, but the reasons for this were not known and what was being done with this data did not seem productive.

What has been put in place as a result of the findings –

- RPIs – the reporting system has been set up differently, to make it clear when reporting and to make a clear distinction between a 'guide' and an 'RPI'.
- Behaviour Points – these have been streamlined and now follow (where possible) – although each academy is set up differently and in the case of RHA has a residential and so there will be some differences. Potentially the data is more comparable against each other than previously, but it is more beneficial for each academy to compare year on year, term by term data themselves.
- Behaviour Leads Work Load – a Report has been set up on the reporting system that can be achieved by the pressing of one button, this produces the essential information for the Academy Councils and other parties and this is accompanied by a short-written breakdown of key areas and what is being put in place to make positive change.
- Data – is now, hopefully more meaningful and more accessible to all.

In all the areas above, training has been provided and is on hand as and when the Behaviour Leads require it. RPI Training is through Crisis Prevention Institute (CPI) and we have moved to a hybrid approach (part online, part practical) to training staff, which will allow for us to train staff that come in at different times of the year, more easily.

Behaviour Data

Work continues to take place with each Academy's Behaviour Lead, and to continue to support positive change with regards to behaviour across the Trust. In the coming year, we will be moving to a hybrid training for our positive handling, using online training alongside in person training by the Crisis Prevention Institute. With all academies having at least one in house trainer, meaning that regular training, guidance and support can be given to all our staff.

The data in the above chart will be discussed individually with each behaviour lead over the first term of the new academic year to check for validity and accuracy, as it still appears that there are some areas that are not yet reported on sufficiently robustly and therefore these, potentially, could look concerning.

Attendance

We recognise that students' attendance is an area of real challenge across our academies. Many of our pupils have experienced challenging educational backgrounds and they and parent/carers may also have had negative experiences of schooling within their lives, including pupils being permanently excluded from mainstream schools or requested to move on. As a result of these, and other factors, attendance remains lower than the Trust would like in all its academies and this will continue to be an area of focus for the coming academic year.

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It is important to highlight that attendance levels across schools in the UK have been consistently lower which could be attributed to the lasting effects of the lock down experienced throughout the Covid pandemic period of 2020-2021.

In the next academic year, the DfE's launch of the new attendance codes, will mean our Trust's schools will be able to share more clearly the reasons behind each school's attendance percentages. For example, there are many reasons that pupils do not attend our academies that are out of our control, including transportation issues, medical appointments and court appearances.

	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%
Ramsden Hall	69.20	44.7	69.60	47.1	69.38	44.5	69.00	35.2	68.10	42	67.40	40
Victory Park	74.06	55.1	69.51	64.04	71.60	60.22	66.65	67.00	68.65	67.57	66.28	54.78
Sutton House	74.82	50	70.16	40.79	71.05	37.21	70.98	37.21%	67.60	39.13	67.22	37.23
Evolve Kennington	68.7	25.5	66.3	32	66.2	24	62.5	17	59.6	22	66.3	11
Inspire	76.29	41	72.10	28	70.81	32	70.92	29	72.53	48	59.28	31
Evolve West Norwood	69.7	34.9	71	45.8	70.1	42	71.7	44	74.6	45	73.3	3
Wandle Valley	82.4	49	78.2	42	75.8	41	76.5	47	74.7	44	72.2	41

Safeguarding

5 out of the 6 Academies have had recent OFSTEDs and in each of these Safeguarding has gained a positive judgement and comment. The other Academy, yet to be inspected, has had a Local Authority safeguarding audit and no concerns were reported.

The Single Central Record (SCR) of each of the Academy, is overseen by each of the Academy's Human Resources (HR) Leads with Headteachers and Designated Safeguarding Leads (DSLs) signing off on a monthly basis to confirm that they have read and agree that their school's SCR is compliant. This information is then shared with the Trust Lead. The Trust Lead also has access to all Academies' and the Trust's Central Team SCR's and checks weekly to see if there are any issues that need to be addressed. During the 23/24 academic year, changes to the SCR, and the reporting to the Trust, have been adjusted to support workload and to ensure that this information is more accessible and meaningful.

The Critical Incident Form, that is used to report serious incidents to the Trust and Academy Councils, was also updated and a log of these documents was put in place. The purpose of those updates, and the introduction of the log, was to inform positive support and challenge where appropriate. This information, the number of Critical Incidents, has been made a Trust 'minimum standard' to be reported on by Headteachers on every Headteacher's Report to their Academy Councils.

This work is ongoing to ensure that, as a Trust, each school is consistently recording incidents within the Critical Incidents format. This information can be vital in the Trust, and Academy Councils', being able to support staff and pupils where appropriate. This also means that the Trust has a clear understanding of the challenges that individual Academies are experiencing. As a direct result of the impact of accurate reporting of Critical Incidents, we have been able to put in Staff Supervision and further support for our DSLs.

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. This has meant that Medway LA 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 2023 to inform them of the issues and to come up with a solution.

With the appointment of a new contractor, and the LA project managing the stage one build, two modular classrooms and office space, was finally completed in two stages. The first stage was completed at the start of January 2024 with stage 2 completed summer term 2024.

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Directors' Report for the year ended 31 August 2024

Inspire new build project

The Client Engagement Meetings have now concluded, and we have gained permission for the building to commence during the academic year 24/25 dependent upon the successful relocation of a small number of reptiles and the agreement of the costs once the project is taken before the DfE's Contract Award Panel.

Southend Pilots

One of the Southend Local Authority Pilots being run through Sutton House Academy has concluded at the end of this academic year. The cost, and various other factors linked to The Garons project, whilst it ran, meant that this project was not viable. However, one of the pilots is continuing within the Sutton House Academy building in the coming year.

Victory Park Academy's roll has increased during the year and the expanded number on roll is now 101 students.

Going Concern

The Trust is currently in discussion with the ESFA and other MATs regarding the re-brokerage of PLTs academies, however, there is uncertainty at this point with the timing of the transfers and the Directors have therefore assessed the financial statements to be prepared on a going concern basis.

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 Trustees 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.

Financial Review and Position

Most of the Academy 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 2024, 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 stream

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Directors' Report for the year ended 31 August 2024

Financial Review and Position (continued)

Total income for the year was £18.69m compared to £16.3m in the previous year.

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 £952k (2023: £953k).

Looking purely at revenue income for day-to-day operations, revenue income for this year was £17.74m compared to £15.4m in 2022/23. The majority of the revenue income related to direct funding for educational operations as detailed in note 6, with the increase in income this year stemming from a rise in Local Authority grants.

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 £1.44m compared to £745k for 2023. The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £1.68m (2023: increase of £3.19m).

The actuarial gain of £241k (2023: £2.44m) 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 24.

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 £508k. The table also shows the operational result achieved prior to revenue to capital transfers for fixed assets acquired from revenue grants.

	2024 (£000s)	2023 (£000s)
Overall net movement in funds for the year per SoFA	1,681	3,189
<u>Add:</u>		
(Increase)/decrease attributable to fixed asset fund	(719)	(899)
LGPS actuarial gain	(241)	(2,444)
LGPS service and interest costs	(213)	206
Increase in revenue income funds during the year	508	52
Add: Transfers from revenue to capital to fund fixed asset additions	157	264
Operational surplus on revenue funds before transfers to capital	665	316

At 31 August 2024, the Trust held fixed assets with a value of £55.6m and movements in tangible fixed assets are shown in note 15 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.

The Trust held fund balances at 31 August 2024 of £53.09m (2023: £51.41m). This total includes the following funds in surplus:

- **Restricted fixed asset funds** of £55.70m (2023: £54.98m) representing the net book value of fixed asset held on the Balance sheet plus unspent capital grant money.
- **Unrestricted revenue funds** of £810k (2023: £639k).

Two funds were in deficit at 31 August 2024:

- **Restricted revenue funds** had a deficit of £1.17m (2023: £1.51m). 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.

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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 as well as the need to repay a £3m payroll debt over the last 5 years, alongside significant secondary rate pension contributions totaling £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 18.

The pension reserve, relating to the present value of the Local Government Pension Scheme defined benefit liability, shows a deficit of £2.25m at 31 August 2024 (2023: deficit of £2.70m). 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 2024, 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 criterion 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.

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 fund 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.

Principal Risks and Uncertainties

During 2023-24 there has been rapid change at executive level with several key positions being vacated by staff leaving. Within the first three weeks of the academic year, the CEO resigned with no notice and an interim CEO was appointed. Subsequent discussions at board level have led the Board to approach the Regional Director in order to seek to close PLT once its academies have been re-brokered to other multi-academy trusts. The Board has delegated a redundancy consultation process to a Working Party of its Directors, which also includes the Interim CEO.

The Board continues to maintain a service level agreement with an external HR provider instead of employing someone in the central team. In addition, there is now, with the approval of the ESFA, an off-payroll CFO and the role of the DPO has also been outsourced.

Trustees take their responsibility to ensure the Trust estate is safe, well maintained and complies with relevant regulations, very seriously. The H&S aspects of the schools have been delegated to the Head Teachers alongside the line-management of their premises staff.

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.

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Directors' Report for the year ended 31 August 2024

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.

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

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

Signed by:

1BF6406B48AC4A9...

J Alvis
Chair of Directors

Date: 9 December 2024

Signed by:

8454C9833BAB4FD...

A Barry
Interim Chief Executive Officer and Accounting Officer

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Governance Statement for the year ended 31 August 2024

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			1/3 *
M Martell	Vice Chair of Board Chair of EPS	EPS FRPC	6/7	3/3	3/3	
I Nath	Director & Chair of FRPC	FRPC	6/7		3/3	1/3 *
S Lobo	Director	EPS	3/7	2/3		
P Lawson	Director & Chair of Audit & Risk	Audit & Risk	6/7	1/3		3/3
J Fuller	Director	EPS Audit & Risk	7/7	2/3		2/3
K Swift	Director	Audit & Risk	6/7			0/3
M Szoltysik	Director	Audit & Risk	2/7			2/3
G Rosato	Director	FRPC	7/7		2/3	
P Grassi	Director	FRPC	2/7		3/3	
PLT Committees are: <ul style="list-style-type: none"> • Finance, Resource and Premises Committee (FRPC) • Education Performance and Standards (EPS) • Audit & Risk *Attendance at Audit & Risk Committee was only required for one meeting to ensure the meeting was quorate						

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:

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Governance Statement for the year ended 31 August 2024

- Expansion of commissioned pupil numbers at a number of academies to support the greater need for provision of special and AP school places
- Streamlining the Central team structure during 23/24 to ensure value for money
- Investment in the upgrade of IT networking equipment across the Trust, procured in bulk to delivery economies of scale

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 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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 2023-24. Key areas of focus were (i) key financial controls and (ii) Enhanced HR and Payroll and (iii) Health and Safety. 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 2023/2024 had responsibility for reviewing the effectiveness of the system of internal control.

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


Conclusion

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

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

Signed by:

J Alvis
1BF6406B48AC4A9...
Chair of Directors

Signed by:

A Barry
8454C9833BAB4FD...
Interim Chief Executive Officer and Accounting Officer

Date: 9 December 2024

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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 2023, 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 2023.

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

Signed by:

8454C9833BAB4FD...
A Barry
Interim Accounting Officer

Date: 9 December 2024

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Statement of Directors' responsibilities
For the year ended 31 August 2024

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 2023 to 2024;
- 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:

Signed by:

1BF6406B48AC4A9...

J Alvis
Chair of Directors

Date: 9 December 2024

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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 2024 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 2023 to 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 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.

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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, Academies 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:

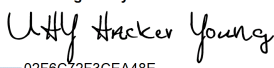
- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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.

DocuSigned by:

02F6C72F3CEA48E...

Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Hacker Young

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 13 December 2024

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 2023 to 2024, 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 2023 to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2023, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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 2024 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.

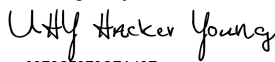
In line with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued March 2024, we have not performed any additional procedures regarding the Academy Trust's compliance with safeguarding, health and safety and estates management

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, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

DocuSigned by:

02F6C72F3CEA48E...
UHY Hacker Young
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 13 December 2024

Parallel Learning Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2024

	Note	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:						
Donations and capital grants	4	11	-	952	963	960
Other trading activities	5	37	-	-	37	35
Funding for educational operations	6	538	16,487	-	17,025	14,751
Provision of boarding activities	29	-	666	-	666	581
Total income		586	17,153	952	18,691	16,327
Expenditure on:						
Raising funds		28	-	-	28	19
Charitable activities	8	387	15,899	390	16,676	14,948
Provision of boarding activities	29	-	547	-	547	615
Total expenditure		415	16,446	390	17,251	15,582
Net income		171	707	562	1,440	745
Transfers between funds	18	-	(157)	157	-	-
Net movement in funds before other recognised gains/(losses)		171	550	719	1,440	745
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	241	-	241	2,444
Net movement in funds		171	791	719	1,681	3,189
Reconciliation of funds:						
Total funds brought forward	18	639	(4,213)	54,983	51,409	48,220
Net movement in funds		171	791	719	1,681	3,189
Total funds carried forward		810	(3,422)	55,702	53,090	51,409

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 29 to 54 form part of these financial statements.

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


Balance sheet
As at 31 August 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	15	55,595	54,980
Current assets			
Stocks		-	3
Debtors	16	1,351	1,763
Cash at bank and in hand		482	175
		<u>1,833</u>	<u>1,941</u>
Creditors: amounts falling due within one year	17	(2,088)	(2,808)
Net current liabilities		(255)	(867)
Net assets excluding pension liability		<u>55,340</u>	<u>54,113</u>
Defined benefit pension scheme liability	24	(2,250)	(2,704)
Total net assets		<u><u>53,090</u></u>	<u><u>51,409</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	55,702	54,983
Restricted income funds	18	(1,172)	(1,509)
Pension reserve	18	(2,250)	(2,704)
Total restricted funds	18	<u>52,280</u>	<u>50,770</u>
Unrestricted income funds	18	810	639
Total funds		<u><u>53,090</u></u>	<u><u>51,409</u></u>

The financial statements on pages 26 to 54 were approved and authorised for issue by the Directors and are signed on their behalf, by:

Signed by:

1BF6406B48AC4A9...
J Alvis
 Chair of Directors

Signed by:

8454C9833BAB4FD...
A Barry
 Interim CEO and Accounting Officer

Date: 9 December 2024

The notes on pages 29 to 54 form part of these financial statements.

Parallel Learning Trust
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 August 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	360	(581)
Cash flows from investing activities	21	(53)	(319)
		<u>307</u>	<u>(900)</u>
Change in cash and cash equivalents in the year		307	(900)
Cash and cash equivalents at the beginning of the year		175	1,075
Cash and cash equivalents at the end of the year	22, 23	<u><u>482</u></u>	<u><u>175</u></u>

The notes on pages 29 to 54 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 2024

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 Wandle Valley Academy, Welbeck Road, Carshalton, England, SM5 1LW.

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 2023 to 2024 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.

The Trust is currently in discussion with the ESFA and other multi-academy trusts regarding the re-brokerage of PLTs academies, however, there is uncertainty at this point with the timing of the transfers and the Directors have therefore assessed the financial statements to be prepared on a going concern basis.

As disclosed in note 18 the financial statements previously provided for a significant liability owed to the London Borough of Lambeth (LBL). This related to a legal claim issued by LBL against the trust on 27 January 2017 for unpaid payroll services. The debt repayment was settled fully in March 2024.

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.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

2.3 Income (continued)

• **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.

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.

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:

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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.

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 16. Prepayments are not financial instruments.

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

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

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

2. Accounting policies (continued)

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.

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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

3. Critical accounting estimates and areas of judgment (continued)

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.

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 2024 indicate defined benefit assets (Kent - £103k, Essex - £474k) 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 movement has therefore been restricted 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 2024, and thus the overall deficit of £2.25m shown on the balance sheet is the combined deficits arising in these two Local Authorities.

4. Income from donations and capital grants

	Unrestricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Donations	11	-	11	7
Capital grants	-	952	952	953
	<u>11</u>	<u>952</u>	<u>963</u>	<u>960</u>
<i>Analysis of 2023 total by fund</i>	<u>7</u>	<u>953</u>	<u>960</u>	

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

5. Income from other trading activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Hire of facilities	37	37	35
<i>Analysis of 2023 total by fund</i>	35	35	

6. Funding for educational operations

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	5,068	5,068	4,999
Other DfE/ESFA grants				
Pupil premium	-	373	373	289
Specialist taskforce grant	-	168	168	377
Recovery premium	-	218	218	192
Others	-	79	79	94
	-	5,906	5,906	5,951
Other Government grants				
Local authority - special educational projects	-	9,705	9,705	7,858
Other government revenue grants	-	876	876	407
	-	10,581	10,581	8,265
Other income from educational operations	538	-	538	535
	538	16,487	17,025	14,751
<i>Analysis of 2023 total by fund</i>	535	14,216	14,751	

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

7. Expenditure

	Staff Costs	Premises	Other	Total	<i>Total</i>
	2024	2024	2024	2024	<i>2023</i>
	£000	£000	£000	£000	<i>£000</i>
Expenditure on fundraising trading activities:					
Direct costs	-	-	28	28	19
Educational operations:					
Direct costs	11,596	-	1,123	12,719	11,096
Allocated support costs	1,010	1,778	1,169	3,957	3,852
Boarding activities:					
Direct costs	257	-	11	268	337
Allocated support costs	222	21	36	279	278
	<u>13,085</u>	<u>1,799</u>	<u>2,367</u>	<u>17,251</u>	<u>15,582</u>
<i>Analysis of 2023 total</i>	<u>12,050</u>	<u>1,422</u>	<u>2,110</u>	<u>15,582</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted	Restricted	Total	<i>Total</i>
	funds	funds	2024	<i>2023</i>
	2024	2024	£000	<i>£000</i>
	£000	£000		
Educational operations	387	16,289	16,676	14,948
	<u>387</u>	<u>16,289</u>	<u>16,676</u>	<u>14,948</u>
<i>Analysis of 2023 total by fund</i>	<u>538</u>	<u>14,410</u>	<u>14,948</u>	

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

9. Analysis of expenditure by activities

	Direct costs	Support costs	Total	<i>Total</i>
	2024	2024	funds	<i>funds</i>
	£000	£000	2024	<i>2023</i>
			£000	<i>£000</i>
Educational operations	12,719	3,957	16,676	14,948
<i>Analysis of 2023 total</i>	<i>11,096</i>	<i>3,852</i>	<i>14,948</i>	

Analysis of support costs

	Total	<i>Total</i>
	funds	<i>funds</i>
	2024	<i>2023</i>
	£000	<i>£000</i>
Staff costs	1,010	1,333
Depreciation	390	318
Technology costs	149	194
Premises costs	1,413	1,119
Legal costs	31	46
Governance costs	55	46
Other support costs	909	796
	<u>3,957</u>	<u>3,852</u>

10. Net income

Net income for the year includes:

	2024	<i>2023</i>
	£000	<i>£000</i>
Operating lease rentals	61	49
Depreciation of tangible fixed assets	390	318
Fees paid to auditors for:		
- audit	22	22
- other services	7	7
	<u>480</u>	<u>406</u>

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

11. Staff

a. Staff costs and employee benefits

Staff costs during the year were as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Wages and salaries	8,672	<i>7,847</i>
Social security costs	916	<i>823</i>
Pension costs	1,784	<i>1,822</i>
	<u>11,372</u>	<u><i>10,492</i></u>
Agency staff costs	1,713	<i>1,558</i>
	<u>13,085</u>	<u><i>12,050</i></u>

Included in the staff costs above are restructuring costs of £12k (*2023 - £58k*).

Staff restructuring costs comprise:

	2024	<i>2023</i>
	£000	<i>£000</i>
Severance payments	12	<i>58</i>
	<u>12</u>	<u><i>58</i></u>

b. Severance payments

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

	2024
	No.
£0 - £25,000	4
	<u>-</u>

c. Special staff severance payments

Included in staff restructuring costs are special non-contractual severance payments of £7k, £3k and £2k.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

11. Staff (continued)

d. Staff numbers

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Teachers	70	63
Administration and support	123	116
Management	14	17
	<u>207</u>	<u>196</u>

e. Higher paid staff

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

	2024	<i>2023</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	11	6
In the band £70,001 - £80,000	3	4
In the band £80,001 - £90,000	-	4
In the band £90,001 - £100,000	3	1
In the band £110,001 - £120,000	1	-
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	1	-
In the band £160,001 - £170,000	-	1
	<u>-</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 £443k (2023 - £420k).

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12. Directors' remuneration and expenses

The ex-CEO, who was also the Accounting Officer, was paid remuneration in the short period before his resignation on 27 September 2023 as a result of his employment with the Trust. This remuneration was solely in respect of services provided under his contract of employment. The value of his remuneration was as follows:

		2024	<i>2023</i>
		£000	<i>£000</i>
M Jordan (CEO and Accounting Officer)	Remuneration	10 - 15	<i>165 - 170</i>

The Interim Accounting Office is not a trustee.

During the year ended 31 August 2024, travel and subsistence expenses totalling £89 were reimbursed or paid directly to 2 Directors (*2023 - £359 to 5 Directors*).

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

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14. Central services (continued)

- 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

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 (GAG) and other government grant funding.

The actual amounts charged during the year were as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Evolve Academy	204	<i>173</i>
Ramsden Hall Academy	216	<i>203</i>
Sutton House Academy	114	<i>102</i>
Victory Park Academy	128	<i>105</i>
Inspire Academy	116	<i>112</i>
Wandle Valley Academy	213	<i>169</i>
Total	991	<i>864</i>

Funds of £1.110mil were transferred in the year to the Central Trust from Evolve Academy. This represents repayments linked to prior year subsidies for the debt settlement to London Borough of Lambeth and other prior year subsidies provided to support Evolve's in-year financial position.

The original intention was for Evolve to repay the Central Trust over a number of years, however, with the future plans to re-broker schools within the Trust, Directors agreed that all assets and liabilities should be reflected within their true location.

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15. 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 2023	56,866	266	253	376	57,761
Additions	216	782	6	1	1,005
Transfers between classes	15	(15)	-	-	-
At 31 August 2024	<u>57,097</u>	<u>1,033</u>	<u>259</u>	<u>377</u>	<u>58,766</u>
Depreciation					
At 1 September 2023	2,236	-	248	297	2,781
Charge for the year	365	-	4	21	390
At 31 August 2024	<u>2,601</u>	<u>-</u>	<u>252</u>	<u>318</u>	<u>3,171</u>
Net book value					
At 31 August 2024	<u>54,496</u>	<u>1,033</u>	<u>7</u>	<u>59</u>	<u>55,595</u>
<i>At 31 August 2023</i>	<u>54,630</u>	<u>266</u>	<u>5</u>	<u>79</u>	<u>54,980</u>

Included in long-term leasehold property is land at value of £23.94m (2023 - £23.94m), which is not depreciated.

16. Debtors

	2024 £000	2023 £000
Trade debtors	688	821
Other debtors	86	128
Prepayments and accrued income	577	814
	<u>1,351</u>	<u>1,763</u>

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17. Creditors: Amounts falling due within one year

	2024	<i>2023</i>
	£000	<i>£000</i>
Trade creditors	561	<i>805</i>
London Borough of Lambeth settlement	-	<i>350</i>
Other taxation and social security	199	<i>167</i>
Other creditors	470	<i>456</i>
Accruals and deferred income	858	<i>1,030</i>
	<u>2,088</u>	<u><i>2,808</i></u>
	2024	<i>2023</i>
	£000	<i>£000</i>
Deferred income at 1 September 2023	48	<i>197</i>
Resources deferred during the year	439	<i>48</i>
Amounts released from previous periods	(48)	<i>(197)</i>
	<u>439</u>	<u><i>48</i></u>

At the balance sheet date, the Trust was holding funds received in advance for the 2024/25 academic year for Local Authority grant funding.

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18. Statement of funds

	Balance at 1 September 2023 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2024 £000
Unrestricted funds						
General funds	639	586	(415)	-	-	810
Restricted general funds						
General Annual Grant (GAG)	(2,274)	5,068	(5,232)	(157)	-	(2,595)
Other DfE/ESFA grants	41	1,504	(1,505)	-	-	40
Other government grants	724	10,581	(9,922)	-	-	1,383
Pension reserve	(2,704)	-	213	-	241	(2,250)
	(4,213)	17,153	(16,446)	(157)	241	(3,422)
Restricted fixed asset funds						
Fixed assets	54,980	-	(390)	1,005	-	55,595
DfE/ESFA capital grants	3	952	-	(848)	-	107
	54,983	952	(390)	157	-	55,702
Total Restricted funds	50,770	18,105	(16,836)	-	241	52,280
Total funds	51,409	18,691	(17,251)	-	241	53,090

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.

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.

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

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

fixed asset fund of £157k 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 2024.

The Trust is carrying a net deficit of £1.17m (2023: £1.51m) on restricted general funds (excluding pension reserves). The reasons for this, and the action being taken, is covered on pages 45-46 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 2022 £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 2023 £000</i>
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><u>48,220</u></u>	<u><u>16,327</u></u>	<u><u>(15,582)</u></u>	<u><u>-</u></u>	<u><u>2,444</u></u>	<u><u>51,409</u></u>

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18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:

	2024	<i>2023</i>
	£000	<i>£000</i>
Evolve Academy	(2,398)	<i>(1,664)</i>
Ramsden Hall Academy	451	<i>535</i>
Inspire Academy	414	<i>737</i>
Sutton House Academy	226	<i>385</i>
Victory Park Academy	364	<i>284</i>
Wandle Valley Academy	1,918	<i>1,228</i>
Central	(1,337)	<i>(2,375)</i>
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	(362)	<i>(870)</i>
Restricted fixed asset fund	55,702	<i>54,983</i>
Pension reserve	(2,250)	<i>(2,704)</i>
	<hr/>	<hr/>
Total	53,090	<i>51,409</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit
	£000
Central	(1,337)
Evolve Academy	(2,398)
	<hr/> <hr/>

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.

During 2023/24 funds of £1.110m were transferred in the year to the Central Trust from Evolve Academy. This represents repayments linked to prior year subsidies for the debt settlement to London Borough of Lambeth and other prior year subsidies provided to support Evolve's in-year financial position.

The original intention was for Evolve to repay the Central Trust over a number of years, however, with the future plans to re-broker schools within the Trust, Directors agreed that all assets and liabilities should be reflected within their true location.

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18. Statement of funds (continued)

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.

The Trust is taking the following action to return the academies to surplus:

As mentioned above, Evolve Academy are reviewing commissioning arrangements to enable an in-year surplus and begin to reduce the c/f deficit.

The Central location has reduced a number of in-year costs for 2024/25 and will be aiming to reduce the c/f deficit so far as possible during the year.

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2024 £000	<i>Total 2023 £000</i>
Evolve Academy	2,547	335	188	472	3,542	3,292
Ramsden Hall Academy	2,249	317	222	616	3,404	3,064
Inspire Academy	1,730	163	121	214	2,228	1,722
Sutton House Academy	1,449	161	355	274	2,239	1,611
Victory Park Academy	1,417	109	144	273	1,943	1,584
Wandle Valley Academy	1,925	219	61	432	2,637	2,426
Central	451	226	47	144	868	1,565
Trust	11,768	1,530	1,138	2,425	16,861	<i>15,264</i>

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19. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Restricted fixed asset funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	-	-	55,595	55,595
Current assets	810	916	107	1,833
Creditors due within one year	-	(2,088)	-	(2,088)
Provisions for liabilities and charges	-	(2,250)	-	(2,250)
Total	810	(3,422)	55,702	53,090

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £000</i>	<i>Restricted funds 2023 £000</i>	<i>Restricted fixed asset funds 2023 £000</i>	<i>Total funds 2023 £000</i>
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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20. Reconciliation of net income to net cash flow from operating activities

	2024	<i>2023</i>
	£000	<i>£000</i>
Net income for the period (as per Statement of financial activities)	1,440	745
Adjustments for:		
Depreciation	390	318
Capital grants from DfE and other capital income	(952)	(953)
Defined benefit pension scheme cost less contributions payable	(326)	3
Defined benefit pension scheme finance cost	113	203
Decrease in stocks	3	1
Decrease/(increase) in debtors	412	(746)
Decrease in creditors	(720)	(152)
Net cash provided by/(used in) operating activities	360	<i>(581)</i>

21. Cash flows from investing activities

	2024	<i>2023</i>
	£000	<i>£000</i>
Purchase of tangible fixed assets	(1,005)	(1,272)
Capital grants from DfE Group	369	668
Capital funding received from sponsors and others	583	285
Net cash used in investing activities	(53)	<i>(319)</i>

22. Analysis of cash and cash equivalents

	2024	<i>2023</i>
	£000	<i>£000</i>
Cash in hand and at bank	482	175

23. Analysis of changes in net debt

	At 1 September 2023 £000	Cash flows £000	At 31 August 2024 £000
Cash at bank and in hand	175	307	482

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Notes to the financial statements
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24. 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 £225,000 were payable to the schemes at 31 August 2024 (2023 - £154,000) 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.

Valuation of the Teachers' Pension Scheme

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

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

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- 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 revised employer contribution rate, arising from the 2020 valuation, has been 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 £1,208,000 (2023 - £901,000).

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.

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24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £1,116,000 (2023 - £888,000), of which employer's contributions totalled £916,000 (2023 - £715,000) and employees' contributions totalled £200,000 (2023 - £173,000). 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

	2024	<i>2023</i>
	%	%
Rate of increase in salaries	3.35	3.55
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.10	5.25
Inflation assumption (CPI)	2.70	2.95

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

	2024	<i>2023</i>
	Years	Years
<i>Retiring today</i>		
Males	21.0	21.1
Females	23.7	23.8
<i>Retiring in 20 years</i>		
Males	22.2	22.4
Females	25.1	25.2

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24. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2024 £000	<i>At 31 August 2023 £000</i>
Equities	7,137	5,961
Gilts	2,385	1,904
Corporate bonds	203	164
Property	1,199	1,011
Cash and other liquid assets	330	583
Other	1,811	1,381
Total market value of assets	13,065	11,004

The actual return on scheme assets was £1,293,000 (2023 - £33,000).

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

	2024 £000	<i>2023 £000</i>
Current service cost	(586)	(715)
Interest income	598	445
Interest cost	(711)	(648)
Administrative expenses	(4)	(3)
Total amount recognised in the Statement of financial activities	(703)	(921)

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

	2024 £000	<i>2023 £000</i>
At 1 September	13,708	15,108
Current service cost	586	715
Interest cost	711	648
Employee contributions	200	173
Actuarial losses/(gains)	454	(2,687)
Benefits paid	(344)	(249)
At 31 August	15,315	13,708

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24. Pension commitments (continued)

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

	2024	<i>2023</i>
	£000	<i>£000</i>
At 1 September	11,004	<i>10,166</i>
Interest income	598	<i>445</i>
Actuarial gains/(losses)	695	<i>(243)</i>
Employer contributions	916	<i>715</i>
Employee contributions	200	<i>173</i>
Benefits paid	(344)	<i>(249)</i>
Administration expenses	(4)	<i>(3)</i>
At 31 August	<u>13,065</u>	<u><i>11,004</i></u>

25. Operating lease commitments

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

	2024	<i>2023</i>
	£000	<i>£000</i>
Not later than 1 year	8	<i>11</i>
Later than 1 year and not later than 5 years	31	<i>3</i>
	<u>39</u>	<u><i>14</i></u>

26. 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.

27. 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.

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28. 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.

Parallel Learning Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2024

29. Boarding school trading account

	2024	2024	<i>2023</i>	<i>2023</i>
	£000	£000	<i>£000</i>	<i>£000</i>
Income				
Direct income				
Grants	666		<i>581</i>	
Total income		666		<i>581</i>
Expenditure				
Direct expenditure				
Direct staff costs	257		<i>326</i>	
Educational supplies	11		<i>11</i>	
Total direct expenditure	<u>268</u>		<u><i>337</i></u>	
Other expenditure				
Other staff costs	222		<i>238</i>	
Premises costs	21		<i>21</i>	
Other support costs	36		<i>19</i>	
Total other expenditure	<u>279</u>		<u><i>278</i></u>	
Total expenditure		<u>547</u>		<u><i>615</i></u>
Surplus/(deficit) from all sources		119		<i>(34)</i>
Opening balance		<i>(76)</i>		<i>(42)</i>
Boarding school balances at 31 August 2024		<u><u>43</u></u>		<u><u><i>(76)</i></u></u>