

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2023

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

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Reference and Administrative Details of The Trust, its Directors and Advisers For the year ended 31 August 2023

Members	Mr. P. Martin Mrs. S. Earle Mrs. D. Reed Mrs. J. Smith Mr. G. Lall
Directors	Mr. G Newman, Chairman ^{1 2} Mr. M.R. Bailey ¹ (in position until 29/7/2023) Mr. S. Gardner, Chief Executive and Accounting Officer ¹ Mr. D. Morrison ² Mr. P Martin, ^{1 2} Mr. S. Geary Mr I. Mason ² Mr. D. Lycett (resigned effective from 12/10/2022) Ms. J. Spurgeon Mrs. K. Bettey Mr. C. Star ² Mrs. N. Hurtado (appointed 22/9/2022) Mrs. L. Keslake (appointed 17/3/2023 resigned effective from 9/5/2023)

¹ Member of Finance Committee

² Member of Audit Committee

Company registered number 07359755

Principal and registered office The Thinking Schools Academy Trust
Park Crescent
Chatham
Kent
ME4 6NR

Company Secretary Mrs K Denton

Chief executive officer Mr. S. Gardner

Senior management team Mr. S. Gardner, CEO and Accounting Officer
Mr. L. Miller MBE, Deputy CEO
Ms. A. Gage, Director of Education (Chatham/South West)
Mr. G. Bassan, Director of Education (Kent) (resigned effective 31/8/2023)
Mrs. J Murphy, Director of Education (Strood)
Ms. N. Sheppard, Director of Education (Portsmouth)
Mr. D. High, Director of Service Delivery and Performance

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Independent auditor UHY Kent LLP t/a UHY Hacker Young
Chartered Accountants
Registered Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Bankers Nat West Bank Plc
Maidstone Road
Rochester
Kent. ME1 3DY

Solicitors Browne Jacobson
6th Floor, 77 Gracechurch Street
London. EC3V 0AS

The Thinking Schools Academy Trust

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Directors' Report

For the year ended 31 August 2023

The Directors present their annual report and auditors' report of The Thinking Schools Academy Trust ("the Trust") for the year ended 31 August 2023.

At the time of writing this annual report the Trust now operates fourteen primary, eleven secondary and one alternative provision academy in Colchester (Essex), Medway, Kent, Portsmouth, Plymouth and Torbay Local Authorities. These figures include four academies which joined post 31 August 2023. The Trust's academies have a combined pupil capacity of 17,763 and had a roll of 16,222 in September 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust was incorporated on 27 August 2010 as a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the Trust. The memorandum and articles of association were amended on 11 January 2019.

Details of the Directors who served throughout the year, except as noted, are included in the Reference and Administrative Details.

Members' liability

Each member of the Trust undertakes to contribute to the assets of the Trust in the event of it being wound up whilst 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 and Governors' indemnities

The individual academies each maintain Governors' and officers' liability insurance which gives appropriate cover for any legal action brought against Governors, and against the Directors of the Trust. The Trust has also granted indemnities to each of its Directors and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year and remain in force, in relation to certain losses and liabilities which the Directors, Governors or other officers may incur to third parties in the course of acting as Directors, Governors or officers of the Trust. Details of the insurance cover are provided in note 14 to the financial statements.

Principal activities

The Trust has expanded in the year to now control the activities of the following schools:

- The Rochester Grammar School;
- All Faiths Children's Academy;
- The Portsmouth Academy (previously known as Portsmouth Academy for Girls);
- Holcombe Grammar School (previously known as Chatham Grammar School for Boys);
- Gordon Children's Academy (Infant);
- Gordon Children's Academy (Junior);
- New Horizons Children's Academy;
- Penbridge School (previously Penhale Infant School and Newbridge Junior School);
- New Horizons Primary School (amalgamation of Meredith Infant School and Isambard Brunel Junior School);
- The Victory Academy;
- Cedar Children's Academy;
- Meon Way Federation (previously Meon Infant School, Meon Junior School and Moorings Way Infant School);
- Goodwin Academy;
- Plymouth High School for Girls;
- Plympton Academy;
- Maritime Academy (since 1 Sep 2022);
- Brixham College (since 1 Sep 2022);
- Furzeham Primary and Nursery School (since 1 Nov 2022);
- Colchester Royal Grammar School (since 1 May 2023)

Since the start of 2023/24 Lodestar Academy, Paignton Academy, Kings Ash Academy and Curledge Street Academy (all 1 September 2023) have joined the Trust.

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Directors' Report

For the year ended 31 August 2023

All schools share a commitment to cognitive education and Thinking School status. Throughout the year ended 31 August 2023 the Trust's principal objective and activity has therefore been to manage the schools within the Trust.

Method of recruitment and appointment or election of Directors

Under the terms of its Articles, the Board of Directors holds ultimate responsibility for managing the Trust. This Board comprises the following:

Method of recruitment and appointment or election of Directors (continued)

- 6 Directors appointed by members (one must include the Chair);
- 5 Directors appointed by Regional Governing Bodies;
- 1 Director appointed by their role.

No more than 1 Director can be salaried; details are provided in note 13 of the accounts.

A Director's term of office is four years (excluding the Chief Executive), but a Director is eligible for re-election at the meeting at which they retire.

Appropriate training is provided to all new Directors and Governors, as required.

During the year under review the Board of Directors met six times, alongside Regional Governing Body meetings which were held termly in each region. The training and induction provided for new Directors and Governors was dependent on their existing experience. Where necessary training was provided on charity and educational legal and financial matters. All new Governors were given a tour of their respective school and the chance to meet with staff and students. All Governors were provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role as Governors.

Organisation structure

The Board of Directors retains the power to appoint Governors to Regional Governing Bodies. They also have a scheme of delegation that details the powers that can be given to individual governing bodies.

The Board of Directors has a Quality Assurance executive team that will review the performance of each academy and make recommendations to the Board about the level of delegated powers that should be given to each Regional Governing Body.

The Board has a number of committees that support the work of the board:

- The Audit and Risk Committee that is made up of non-executive Directors;
- a Finance Committee;
- an Operations Committee;
- an Executive Staffing Pay and Professional Growth Committee that is made up of non-executive Directors;
- a Governance and Compliance Committee;
- a Curriculum and Quality Assurance Committee;

Arrangements for setting pay and remuneration of key management personnel

The Board's Executive Staffing Pay and Professional Growth Committee has delegated responsibility to oversee this area and specifically has the following responsibilities:

- to determine and agree with the Board the framework and broad policy for the remuneration of the Trust's Chief Executive Officer and such other members of the executive management of the Trust as it is designated to consider (senior executives);
- to determine the Trust-wide pay policy and oversee the process of moderation across the Trust; to ensure no senior executive, Director or Manager is involved in any decisions as to their own remuneration;
- To ensure the Executive pay policy review is undertaken by an external independent consultant who will make recommendations to the Board;
- to prepare and submit recommendations to the Trustees for the terms of service and remuneration (including pension

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Directors' Report
For the year ended 31 August 2023

arrangements) of the senior executives;

- to monitor, evaluate and report (as appropriate) to the Trustees on the performance of the Chief Executive; and
- to approve appropriate remuneration packages for any new senior executive appointments in line with the Trust's Executive pay policy

Having regard to the charitable status of the Trust and in recognition of the fact the Trust receives funding under a funding agreement with the Secretary of State for Education, to ensure the remuneration or other sums paid to a Senior Executive do not exceed an amount that is reasonable in all the circumstances;

- to ensure the remuneration or other sums paid to a Senior Executive do not exceed an amount that is reasonable in all the circumstances;
- to review and approve the design of, and determine targets for, any performance related pay schemes operated by the Trust and approve the total annual payments made under such schemes;
- to ensure that any termination packages including contractual terms and pension benefit entitlements do not reward failure and are fair to the individual and the Trust and comply with the obligations set out in the Academies Financial Handbook;
- to review and note annually the remuneration trends across the Trust;
- to oversee any major changes in employee benefits structures in the Trust;
- to agree the policy for authorising claims for expenses from the Senior Executives;
- to be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration or other consultants who advise the Committee. The Committee shall have full authority to commission any reports or surveys which it deems necessary to help it fulfil its obligations.

Total remuneration paid to Senior Management personnel is set out in note 11(e).

Senior Leadership Team members as of September 23 are all subject to TSAT Teacher or Support staff pay scales. As such, pay decisions would be agreed in line with the Professional Growth Policy, Pay Policy and mechanisms.

Connected organisations, including related parties

Rochester Grammar School for Girls Charity is a separately registered charity, registration no. 307839. Its principal objects are the provision of items, services and facilities for the school by the making of grants to the school and individuals. This charity also owns the freehold to the school land and buildings, and leases this to the Trust on a 125-year lease at an annual peppercorn rent.

There is also a Parent-Teacher Association, The Rochester Grammar School Association, also established as a separately registered charity, registration number 803801, which organises various fundraising events to provide facilities for the pupils of The Rochester Grammar School.

Little Thinkers Nursery and preschool (previously known as Isambard Brunel Centre Ltd (registration 04671163)) is a company to which, from 18 June 2015, The Thinking Schools Academy Trust was appointed the sole member and four Directors were appointed that include Directors of the Trust. The company provides childcare and nursery provision to children below statutory school age.

Thinking Solutions for Education Ltd (registration 11463368) was established to provide services to the Trust, other Academies and schools.

Trade union facility time

Relevant union officials:

There has been official time off requested by union officials during the year. The Trust pay in to the Facilities Fund each year and employees are supported by union officials outside of the Trust.

<u>Number of employees who were relevant union officials during the year</u>	<u>Full time equivalent employee number</u>
20	0.78 FTE

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Percentage of time spent on facility time:

Percentage of time	Number of employees
0%	15
1%-50%	5
51%-99%	-
100%	-

Percentage of pay bill spent on facility time:

Total cost of facility time	£1,160.60* this does not include what we pay into the facilities pot – this is invoiced separately.
Total pay bill	£46,664,880.15
Percentage of the total pay bill spent on facility time	0.002%

Paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facility time hours	118.5
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Engagement with employees (including disabled persons)

The Companies (Miscellaneous Reporting) Regulations 2018 introduced a requirement for companies with more than 250 employees to include a statement in their directors' (trustees') report summarising action taken during the period to introduce, maintain or develop arrangements aimed at:

- providing employees with information on matters of concern to them;
- consulting employees or their representatives regularly so that the views of employees can be considered in making decisions which are likely to affect their interests;
- encouraging the involvement of employees in the company's performance;
- achieving a common awareness on the part of all employees of the factors affecting the performance of the company – the Trust;
- its policy in respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons.

The Department for Business, Energy and Industrial Strategy (BEIS) has published guidance to help companies understand how this affects them. The Charities Commission has also published a guide: Charities SORP Information Sheet 3: The Companies (Miscellaneous Reporting) Regulations 2018 and UK Company Charities.

Utilising The Trust website, we are committed to sharing information with our staff on relevant matters, setting up secure access to staff areas on topics such as;

- Mental Health and Wellbeing: we have our own Trust wellbeing pages for staff to access a range of resources and information
- At the end of 22/23 the Trust conducted a full staff wellbeing survey using an online platform Welbee and will use the results to implement measures to support our staff going forward
- Employee Assistance Programme: We provide free access to a support, counselling and wellbeing services through an external provider to all our staff
- Staff Consultations: All staff consultations have a dedicated webpage set up to share information
- Policies and processes: all staff policies are available on the website and there are dedicated webpages on our Professional Growth model
- During 22/23 we achieved our Disability Confident employer status
- The Trust have started the process of undertaking formal accreditation and assessment for Investors in People status

We are able to share supplementary information and sign-post staff back to our website through whole staff emails. We regularly send HR updates to staff on pay, policies, wellbeing, any other items that may be relevant for them. Fortnightly, the CEO sends out an all staff email; "Gardner's World" which provides staff with key information and updates about the Trust.

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We are committed to regularly celebrating successes across the organisation with staff, sharing good news stories, school results and activities schools have undertaken. This occurs fortnightly through Gardner's World and termly within the "Our Trust" publication.

During 23/24 further work is being undertaken to review our approach to communication across the Trust to staff to ensure the relevant information reaches the right people in the best way.

The Trust commits to consult and negotiate on staff matters with the established Trusts Joint Consultative and Negotiation Committee (JCNC) that is made up of regional representatives from all recognised Trade Unions. This group meets three times a year and will consult and negotiate on matters such as pay and policies. In addition, termly hub meetings have been established with local in-school union representatives, allowing an opportunity for local representatives to feed in to the regional meetings but also discuss local issues or concerns.

In May 2021 the Department for Education released a staff wellbeing charter that was co-created by a number of stakeholders.

The Wellbeing Strategy Group has been established in response and this Group will support the Trust's aim to meet these commitments and become an employer of choice for our staff.

Key responsibilities of the group include:

- to develop a staff wellbeing strategy and action plan linked to the commitments within the charter;
- to be aware of the latest developments to support employee wellbeing;
- to manage the risks associated with this area;
- to oversee the accreditation of the Trust becoming an investor in people employer;
- to review and respond to staff voice through regular pulse surveys.

The group is supported by a number of working groups namely; Equality, Diversity and Inclusion; Recruitment and Retention; Employee Handbook and Policy Development; and Mental Health. The working parties are made up of a wide range of representatives across the Trust.

Equal opportunities

The Directors recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

The Trust actively promotes the recognition and celebration of diversity and ensure important events such as Black History Month and LGBTQ+ month are actively engaged in by all our schools, through our "WeAreOne" events.

Disabled persons

All academies have made appropriate provisions for disabled persons. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. Each academy does this by adapting physical environments, by making support resources available and through training and career development.

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust ensures that business relationships with suppliers, customers and other key stakeholders are developed and maintained in a positive way that supports a mutually beneficial partnership. All suppliers are treated with fairness and equality; strict procurement procedures are followed to avoid undue bias or favouritism, payments are made to suppliers within agreed terms and relationships developed with suppliers to enhance the service received.

The Trust provide a wide-ranging package of sporting and venue facilities to the local community, such as a gym, 3G football pitches, hall and conference room hire. Prices are competitive to make these services accessible and broaden the reach of our school facilities beyond the provision of education to the wider community.

The Trust operates two trading subsidiaries; Little Thinkers, a nursery aged provision in Portsmouth and Thinking Solutions for Education (TSfE), an education services company offering a variety of educational services to Academy Trusts and schools throughout the country,

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as well as the Trust itself. This has enabled the Trust to share our knowledge and experience beyond our own schools to provide greater financial control and other educational support services across the sector.

OBJECTIVES AND ACTIVITIES

Objects and aims

The principal object of the Trust is the provision of education for pupils aged between 3 and 19.

Objective, strategies and activities

Our objective is summarised in our Mission Statement:

Every young person in our communities deserves to have the best opportunities in life regardless of their individual circumstances.

Education is the key to accessing these opportunities and we support and develop every member of our community to:

- Think about their Thinking
- Be their Best Self
- Shape their Success

In this way Thinking Schools Academy Trust transforms life chances.

Our strategies and activities include:

- to transform life chances of young people through the application of a cognitive approach to education;
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of all academies by keeping the curriculum and organisational structure under continual review;
- to comply with all appropriate statutory and curriculum requirements;
- to provide after school and weekend activities;
- to conduct the academies' business in accordance with the highest standards of integrity, probity and openness;
- to provide value for money for the funds expended..

Public benefit

All Academies within the Trust are state funded and strive to promote and support the advancement of education within the Medway, Portsmouth, Kent, Plymouth, Torbay (Devon) and Colchester (Essex) local authority areas.

The Trust has a lettings policy that supports the use of our facilities for the local community and other public establishments. In all cases the Trust promotes below market rates to maximise the ability for small organisations and individuals to access this.

All our Academies are members of The New Horizons Teaching School Alliance which promotes outreach work and the wider recruitment and promotion of new teachers into the sector.

The Trust remains committed to the Arts and actively promotes our students to access extra curricula activities and deliver exhibitions and concerts that the wider community can enjoy.

STRATEGIC REPORT

Achievements and performance

The charts below display the high-level details of our Trust, our Hub structure and the schools within each Hub.

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16,000+ students
2,000+ staff
Running every type of school

26 schools
£100m charity
Across 300 miles

TRANSFORMING LIFE CHANCES

THINKING SCHOOLS ACADEMY TRUST

Outcomes and Progress:

KS1:

Phonics:

PP Cohort	33%	26%	26%	23%	16%	17%	42%	29%	26%	National 22/23
Y1	AFA	CCA	GCA	MIS	MWI	NHA	NHP	PBI	TSAT	
Phonics : 32+	73.3%	71.1%	75.4%	73.3%	76.0%	84.4%	72.6%	52.9%	73.3%	79.5%

There have been some improvements in the majority of our schools at delivering phonics and many cohorts are above national for deprivation which impacts on student starting points. In addition, at Penbridge Infant School (PBI) a large number of students joined the cohort during the school year often from other countries significantly impacting the proportion of students passing the phonics test.

Year 2 SATS:

PP Cohort	24%	31%	25%	25%	30%	20%	42%	38%	30%	National 22/23
Y2	AFA	CCA	GCA	MIS	MWI	NHA	NHP	PBI	TSAT y2 t6	
Reading EXS+	37.9%	76.7%	66.7%	71.2%	62.5%	60.2%	65.1%	48.3%	63.3%	68.0%
Writing EXS+	41.0%	62.2%	58.3%	66.1%	53.6%	54.2%	52.3%	45.0%	54.8%	59.4%
Maths EXS+	69.0%	80.0%	76.7%	81.4%	67.9%	68.7%	65.1%	55.0%	70.5%	70.3%
R+W+M EXS+	31.0%	60.0%	55.0%	61.0%	48.2%	49.4%	50.0%	43.3%	50.7%	55.4%

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This is a mixed set of results for our schools. In too many instances children have not reached the expected standard and schools have been required to submit their action plans to secure improvements going forward.

KS2:

Attainment:

PP Cohort	37%	33%	26%	31%	37%	33%	51%	61%		National 22/23
Year 6	AFA	CCA	GCA	MJS	FPS	NHA	NHP	PBJ	TSAT y6 t6	
Reading EXS+	86.7%	60.4%	70.3%	73.5%	73.2%	65.2%	58.2%	65.8%	67.1%	73.0%
Writing EXS+	83.3%	72.5%	70.3%	73.5%	78.0%	69.7%	59.5%	64.3%	69.6%	69.0%
Maths EXS+	83.3%	61.5%	74.3%	79.5%	78.0%	60.7%	73.4%	62.6%	69.6%	73.0%
R+W+M EXS+	76.7%	47.3%	58.4%	63.9%	68.3%	49.4%	48.1%	50.4%	55.0%	59.0%

Again, this is a mixed set of results with some schools performing very strongly whilst others have performed less well. It is worth noting that all schools have above national levels of deprivation, and some are serving extremely deprived communities.

KS4:

	BRX	CRGS	GWA	HGS	PHS	PLM	RGS	TPA	TVA
Pupils	196	119	169	147	116	177	200	213	216
Entered	95%	100%	100%	100%	100%	99%	100%	100%	96%
En & Ma 5+	35%	100%	18%	82%	89%	33%	99%	22%	19%
Only En 5+	19%	0%	17%	8%	9%	16%	1%	13%	14%
Only Ma 5+	8%	0%	6%	4%	1%	7%	0%	8%	7%
Neither 5+	38%	0%	59%	6%	1%	43%	1%	58%	60%
En & Ma 4+	58%	100%	40%	95%	99%	51%	100%	44%	41%
Only En 4+	18%	0%	17%	1%	1%	18%	0%	7%	11%
Only Ma 4+	4%	0%	7%	3%	0%	6%	0%	10%	9%
Neither 4+	21%	0%	36%	2%	0%	25%	0%	39%	40%
5 x Grade 9-5	35%	100%	16%	76%	88%	35%	98%	22%	18%
5 x Grade 9-5 (inc En & Ma)	30%	100%	16%	74%	84%	29%	97%	19%	14%
En Grade 9-7	13%	86%	6%	37%	66%	13%	73%	11%	8%
Ma Grade 9-7	6%	96%	5%	36%	48%	10%	72%	10%	3%

Note – return to close to 2019 proportions achieving across the grade range.

Colchester Royal Grammar School and Rochester Grammar School have performed very strongly despite the changes to grade boundaries.

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Both Holcombe Grammar School and Plymouth High School for Girls have performed well, they are now as strong as they were in 2022, this is reflected in our internal P8 score calculation which is around National.

Our non-selective schools are still on their journey back to 2019 levels of performance. Our internal P8 score calculations suggest these schools will still have negative P8 scores when the validated data is released. The performance of these schools mirrors the national trend that schools serving highly deprived communities are continuing to recover more slowly post-Covid.

KS5:

A Level and Applied:

School 2022	BRX	GWA	HGS	PHS	PLM	TVA	CRG
A Level - no. of students	43	11	165	111	59	43	180
% KS5 – A2 A*/A	32.50%	7%	22.10%	23.00%	13.70%	6.60%	75.00%
% KS5 – A2 A*-B	52.60%	14%	52.60%	51.00%	30.70%	18.50%	93.70%
% KS5 – A2 A*-C	78.90%	29%	74.60%	73.00%	55.70%	35.80%	98.70%
% KS5 – A2 A*-E	93.00%	64%	97.50%	98.00%	89.50%	80.80%	100.00%

KS5 – APP D*/D	69.00%	2.13%	18%	0%	3%	5.41%
KS5 – APP D*/M	93%	2%	53%	50%	44%	36%
KS5 – APP D*/P	100%	38%	100%	100%	98%	96%

International Baccalaureate – Rochester Grammar School:

	2023
IB - no. of students	76
Total Average Point Score	34.53
% KS5 – 7 (Higher Level)	13%
% KS5 – 6/7 (Higher Level)	55%
% KS5 –5+ (Higher Level)	84%
% KS5 – 4+ (Higher Level)	97%

Ofsted inspections:

During 2022/23 the following Ofsted inspections took place in our Trust:

- Goodwin Academy – graded – RI
- Meon Infant School – graded – RI
- New Horizons Primary School – graded – Good
- Penbridge Infant School – non-graded – the school remains Good
- Penbridge Junior School – non-graded – the school remains Good
- Rochester Grammar School – graded – Good
- The Victory Academy – graded – Good

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Ofsted Judgement of Trust Schools	Sept 2016	Sept 2017	Sept 2018	Sept 2019	Sept 2020	Sept 2021	Sept 2022	Sept 2023
Outstanding	1 (9%)	1 (8%)	2 (13%)	2 (12%)	2 (13%)	2 (12%)	2 (11%)	0 (0%)
Good	3 (27%)	9 (69%)	10 (63%)	12 (71%)	13 (81%)	14 (82%)	15 (79%)	18 (72%)
RI	3 (27%)	2 (15%)	2 (13%)	2 (12%)	0	0	1 (5%)	5 (20%)
Inadequate	0	0	0	0	0	0	0	0
No judgement	4 (36%)	1 (8%)	2 (13%)	1 (6%)	1 (6%)	1 (6%)	1 (5%)	2 (8%)

Note 3 out of 5 of the RI schools joined our Trust as RI

Thinking Accreditation – Exeter University:

We are the only Multi-Academy Trust committed to the use of metacognition in all our classrooms. All our schools work towards Thinking Accreditation through Exeter University, the Trust schools currently represent 1/3 of all accredited Thinking Schools in England.

School	Phase	Accreditation	Level
All Faiths Children's Academy	Primary	Accredited	L2
Cedar Children's Academy	Primary	Accredited	L2
Goodwin Academy	Secondary	Accredited	L1
Holcombe Grammar School	Secondary	Accredited	L2
Maritime Academy	Secondary	L1 application submitted 27/07	
Meon Infant School	Primary	On track for submission 23/24	
Meon Junior School	Primary	Accredited	L1
Moorings Way Infant School	Primary	L1 application submitted 17/07	
New Horizons Children's Academy	Primary	Accredited	L2
New Horizons Primary School	Primary	Accredited	L1
Penbridge Infant School	Primary	Accredited	L1

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School	Phase	Accreditation	Level
Penbridge Junior School	Primary	Re-accredited	L2
The Gordon Children's Academy	Primary	Re- accredited	L1
The Portsmouth Academy	Secondary	Accredited – due for re-accreditation 23/24	L2
The Rochester Grammar School	Secondary	Re-accredited	L2
The Victory Academy	Secondary	Re-accredited	L2

Celebratory Achievements

Over the last academic year, Thinking Schools Academy Trust has seen an extraordinary number of incredible achievements. Many of these activities are captured in "Our Trust" magazine, which is published three times a year and can be accessed electronically here: [Celebrating Our Trust: September 2022, Edition 19 is out!, TSAT Trust \(tsatrust.org.uk\)](#)

Even better, we delivered our first 'TSAT 10' video to schools this year. Watch highlights from across the Trust by [clicking here](#) - [TSAT TEN 2022 - 2023](#)

At Brixham College, more than 600 children enjoyed the two-day "Wonderstruck science show" in January, leaving them amazed and inspired about the wonders of physics and chemistry. The event saw ear-splitting explosions, fire-fuelled bangs, gunpowder, flames and smoke, a 10ft fireball, rocket building sessions, mind-expanding science facts, and a demo of a working jet engine within the workshops. Local primary schools also attended the event, which was supported by the Thinking Schools Academy Trust, including Furzeham Primary School and Nursery, Eden Park Primary School, Roselands Primary School, White Rock Primary School, Brixham Church of England School, St Margret Clitheroe Catholic School, Collation St Mary Primary School, and Galmpton Church of England Primary School. The event also presented the opportunity to showcase other STEM subjects and make them relevant, fun, and exciting for all ages.

New Horizons Primary School in Portsmouth has been recognised for their dedication to environmental issues. Eco Schools, a national programme that provides schools with an educational framework for becoming more eco-friendly, has awarded New Horizons with 'Green Flag' status to recognise their commitment to environmental protection. The School had to complete seven Eco-Schools steps during the 2020/2021 academic year in order to earn their Green Flag. Activities included setting up an Eco-Committee, conducting an environmental review, producing an action plan on how to be more eco-friendly, learning about protecting the environment in lessons, and creating an Eco-Code to list the School's commitment to being more eco-aware.

On 26th April 2023, a team of students from Rochester Grammar School competed in the EEP Robotics Challenge - Regional Heats at Greenwich University. As part of the challenge and prior to the competition, the students formed a team in school and created their own robot, putting it through its paces to test its abilities. They then celebrated everything that their robot could do when presenting all their robotics knowledge to a panel of engineers during the heats. The students showcased fantastic teamwork and knowledge retrieval; ultimately winning the challenge and taking home the trophy as Regional Heats winners!

Two Portsmouth pre-schools have merged, resulting in increased benefits for children and their families. The Brunel Meredith Pre-School on Portchester Road has merged with the Little Meredith Pre-School. Special guests; including Councillor Ben Swann of the Portsmouth City Council and Sparky, the Little Thinkers mascot, enjoyed a tour of the facility, celebration cake, and a ribbon-cutting ceremony. Little Thinkers, a proud member of the Thinking Schools Academy Trust, is now able to support more than 112 children per day as a result of joining forces with the dedicated team at Brunel Meredith. Sonia Nickerson, Strategic Lead and Director of Little Thinkers, said, "Although I thought the plan to completely relocate the site was extremely risky, I had faith in the team's determination to make it happen for the benefit of every child who interacts with Little Thinkers."

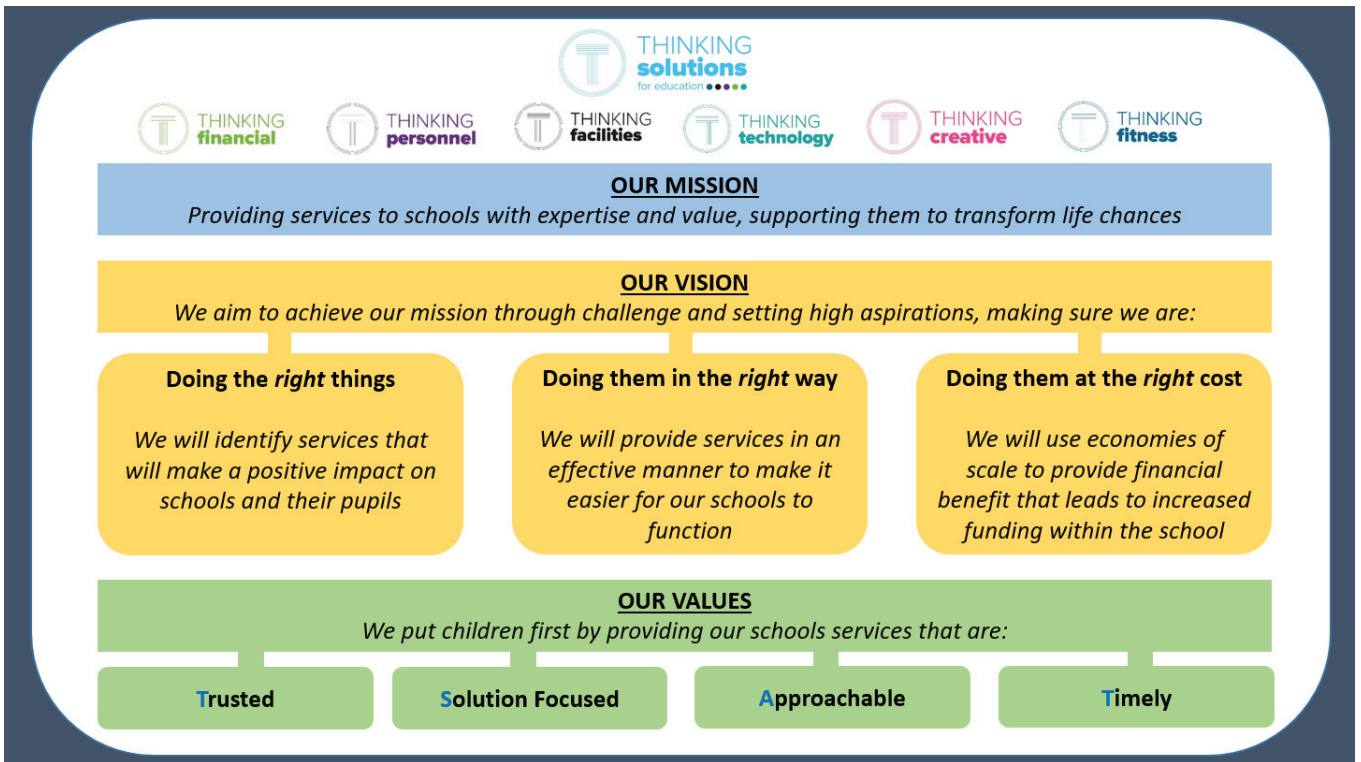
Staff and pupils at The Victory Academy in Chatham were thrilled to receive the prestigious Artsmark Platinum Award for a second time. Artsmark is the only creative quality standard accredited by Arts Council England for schools and education settings. Artsmark encourages schools to cultivate and celebrate arts and cultural education, placing creativity and well-being at the centre of the curriculum and ensuring that every young person has access to a diverse, high-quality cultural education. Platinum is the highest Artsmark award level achievable.

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Staff from the Thinking Schools Academy Trust (TSAT) joined hundreds of others at the Festival of Metacognition, which offers insights from cutting-edge researchers and thought leaders, classroom strategies from expert practitioners, and networking opportunities with peers from the Thinking School Network. Laura Gladstone, the Lead for Teaching, Thinking, and Learning at TSAT, said, "It was wonderful to have members of the TSAT Teaching and Learning Team attend the festival in order to hear some of the most recent ideas regarding metacognition and self-regulated learning." As well as keynote speakers, there were various practical workshops throughout the day with a metacognitive focus presented by experts in their fields.

Central Services success 2022/23 and Plans 2023/24



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Achievements for 22/23

- Granted £85,000 of funding from Salix which provided decarbonisation plans for the Trust estate - 16 school decarbonisation plans were completed.
- Completed various 'Pot 4' school refurbishment projects across the Trust, at a total cost of £300,000.
- In conjunction with the above, teams worked on various projects funded through schools e.g. decoration of the PHS site; science labs at TPA.
- Delivered an Alternative Provision unit at The Bridge site (part of The Portsmouth Academy) -funded by PCC but project led by TFac
- As part of the Operations directorate, a significant number of SCA projects were delivered across the Trust. Notable projects including HGS Hall, PHSG refurbishment; TPA windows; TVA science lab.
- Provided additional support for schools undertaking OFSTED inspections by utilising mobile members of TFac staff
- Helped to deliver the Maritime Academy site over Summer 2022 with additional TFac staffing
- Led on the Trust response to Reinforced Autoclaved Aerated Concrete (RAAC) and associated works to mitigate the risk of this material being present in Trust buildings.
- Completing the onboarding of three schools (Brixham College, Furzeham Primary & Nursery School and Colchester Royal Grammar School) and conducted due diligence of Burton Academy and the schools within the Bay Educational Trust.
- Received confirmation of £30,000 in funding from Portsmouth City Council to refurbish a classroom at PBI for the Rainbowfish provision.
- Dealt with emergency issues at Plymouth High School for Girls (sinkhole, tree fall); The Victory Academy (major electrical failure); emergency boiler issues at Plympton Academy and Holcombe Grammar School; drainage issues at Plymouth High School for Girls and severe weather in Kent schools in December 2022.
- Successfully completed a tender process for a new cleaning contract across the TSAT estate.
- Established two Regional Facilities Managers in the South West Hubs to support the continuing growth in this region.

Plans for 23/24

- To use the school condition data to inform sustainability strategies for the estate plan.
- To support the opening of the new Maritime Academy site and the decant of the current accommodation, working with key stakeholders to ensure the new site is fit for purpose with an adequate staffing model and resourcing.
- Promote further work on training and CPD (in particular in-house training and "train the trainer") in conjunction with Thinking Horizons and ensuring a culture of compliance is achieved.
- To ensure the school roadmap plans developed for Lodestar, Paignton Academy, Curledge Street and Kings Ash are effective and the new Academies operate effectively in the Trust.
- Ensuring that the use of the Regional Drive Team is effective and leads to better feedback on TFac services.
- Review of risk management and accident/incident reporting at school level.
- Improve retention rates across the TFac department; investigate better ways of working for recruitment and investigate an apprenticeship programme.
- Establish Health & Safety (H&S) champions at either school / Hub / or Regional level to drive more understanding of H&S needs.
- Ensure that the use of compliance system (Every) is fit for purpose and is delivering robust data across the Trust Estate.
- Promote the values of the Trust across the department, with further work on Customer First training.
- Develop a suite of KPIs that can show impact and compliance to the Ops committee.
- Develop an Estates Vision and Strategy for the Trust, based on Good Estates Management for Schools (GEMS).
- Develop a Sustainability Strategy for the Thinking Schools Academy Trust.
- Review of contracts across the Trust and highlight where these can be consolidated by Hub/Region/whole Estate.

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Achievements in 22/23

- Opening of Rochester Grammar Thinking Fitness.
- Opening of Brixham College Thinking Fitness
- Record numbers of memberships – reached over 1,000. With 350 new memberships in January

Plans for 23/24

- Onboarding all schools onto the SchoolHire marketing and booking system which will improve the booking system for Thinking Lettings customers.
- Establish the Thinking Lettings brand at Paignton Academy
- Grow Thinking Fitness memberships to over 1,500 across the combined sites
- Work towards the pre-launch of Thinking Fitness at Maritime Academy



Achievements in 22/23

- Joining academies added to the finance system.
- Redefined the roles and responsibilities for Heads of Business and Operations across the Trust.
- Budgets generated for 23/24.
- Accounting software systems developed for testing, to look to roll out in 23/24.

Plans for 23/24

- Rollout of the online ordering portal to joining academies.
- Development of the 'cost per pupil' model.
- Testing of new automated systems and rollout to academies.



Achievements in 22/23

- Delivery of user led upgrade project, to ensure that all client devices were upgraded to the latest supported version of Windows 10.
- Upgraded the server and switch infrastructure in the Trust's Primary data centre, and re-deployed existing equipment to the secondary data centre.
- Continuation of the technology investment programme to provide a consistent and reliable end user experience when using IT in the Trust.
- Secured £315,000 in funding from the Department for Education, as part of the "Connect the Classroom" programme for schools in Portsmouth.
- Installation of new smart rate switches and WiFi 6 access points for all Portsmouth schools as part of "Connect the Classroom".
- Implementation of 74 new interactive display screens and enhanced teacher-toolkits within Brixham College.
- Upgrading core network infrastructure at Colchester Royal Grammar School, including 24 new edge switches and 54 wireless access points.
- TSN Onboarding for Brixham College, Furzeham Primary School and Lodestar Academy
- Implementation of a backup solution for business-critical documents stored within Office365.
- Further expansion of the Trust's One:One device programme, with an additional 280 devices at Portsmouth Academy and 230 at Maritime Academy.

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Plans for 23/24

- Review department structure and resourcing based on the number of the systems and services supported by the department following growth of the Trust.
- Develop middle leaders to provide high level services within the infrastructure and region leads, supporting growth and development of the service.
- Provide technology team with access to training using the LMS system and content developed by the Service and Infrastructure Teams.
- Review the KPIs used with the TSAT schools to reflect the current TSN and operation of the Technology department.
- Implement MFA for all staff and the governor accounts to improve the security of the Office365 platform and connected services.
- To provide support to the project team reviewing the pilot of Bromcom and to work with stakeholders to develop a timeline to move all schools onto a single system in the future.
- To work with digital champions to review how the TSN is working and to use feedback to develop the next Technology Strategy for 2024-2027 for the Trust.
- Replace end of life key servers and switches across the Trust, using the Technology Investment Program to support Cyber Essentials renewal.
- Implement the roadmaps developed for Lodestar, Paignton Academy, Curledge Street and Kings Ash to enable their connection to the Trust's systems and services.
- Develop a roadmap for Colchester Royal Grammar to allow them to operate effectively in the Trust, and to access the Trust's systems and services.
- To lead on the implementation of the ICT services within the main site for Maritime Academy and to support with the de-cant from the temporary site.
- To work closely with the DfE to ensure value for money through the ICT contract for Maritime Academy to ensure that the provided budget can be maximised for the school's benefit.



Achievements for 22/23

- Launched the menopause policy- October 2022.
- Implemented a new EAP provider that includes counselling as standard (6 sessions) which was a saving per EE and reduce our OH cost by 33% per referral.
- Launched the Recognition Scheme (TSTARS) across the Trust.
- Launch and implemented Welbee for staff wellbeing.
- All policies have remained compliant throughout the year in line with Every compliance monitoring.
- Working groups have continued for the wellbeing strategy group.
- Data has continued improve on efficiency with reporting and included further in-depth analysis for Finance and Staffing Committees to ensure transparency and openness.
- Achieved our Disability Confident employer status.
- Onboarding Brixham College and Furzeham Primary School to the payroll and HR systems.
- Achieved an overall payroll accuracy of 99.5%, with a HR processing accuracy of 99.86%
- Negotiated a Trust wide discount for TES with a significant saving.
- Procured a new recruitment system to be rolled out in the 23/24 academic year.
- Supported in the appointment to several key roles including Director of Education and Headteacher roles.

Plans for 23/24

- Launch and implement a new recruitment system – Eploy in term 2.
- Onboard Loadstar Academy onto the payroll.
- Launch and implement a new HR/Payroll System to go live in April 2024 (work to begin Jan 2024).
- Undertake formal accreditation and assessments for Investors in People (IiP)
- Embed our Trade Union model – National, Regional and School level consistently across the Trust.
- Develop clear schedules for policy reviews and training schedules to publish with appropriate stakeholders.
- Review the induction process and update to improve efficiency of the process

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- Embed the HR Partner model across the regions
- Continue in the delivery and support of the People Strategy, including embedding the staff wellbeing strategy group
- Develop internal processes and mechanism to support consistency in decision making and ensure internal reviews take place to support best practice.



Achievements in 22/23

- Successful communication strategies implemented to manage school reputation
- 8 successful #WeAreOne events
- Growth of team to manage increased workflow and support growth of the Trust
- Multiple school largescale artwork, branding & vinyl installations
- Significantly increased Facebook and LinkedIn following
- Development and release of Trust-wide new school websites and business development websites
- Launched frameworks to guide schools with developing successful Admissions campaigns and celebrating achievements
- Portsmouth hub hosted first in-person recruitment event which resulted in the Trust becoming exclusive sponsor of citywide recruitment event with Teach Portsmouth
- Creation and development of the Headteacher planners, supporting greater planning and awareness of events and activities
- Creation of the Six Strategic Pillars brand and marketing material
- Appointed a Marketing and Communications Assistant in the Southwest to expand Creative Service offering
- Appointed Digital Communications Officer to support with recruitment marketing needs and website management
- 58 press releases shared across the Trust including Pupil Voice meetings and school onboarding
- Delivered a Trust-wide conference across MS teams and in person.
- Development of Energy efficiency and eco-awareness campaign and resources

Plans for 23/24

- Onboard Southwest Reprographic service into Thinking Creative
- Introduction of new 'WeAreOne Event' – World Earth Day
- Develop a communication strategy that supports effective communication with internal and external stakeholders
- Improve collaboration with students and schools to improve the delivery of WeAreOne events and Trust campaigns
- Development and embedding of Regional School Communication Officer roles providing dedicated point of contacts and specialist knowledge of each school and region
- Continued development of central brand packs
- Continued development of the project management system to track work created for each academy
- Increase use of video to promote the stories and work of our schools and Trust
- Develop a robust brand awareness strategy for Thinking Creative (TSfE)
- Implement a client onboarding strategy to promote Thinking Creative (TSfE) and track the client journey at all checkpoints
- To develop the use of analytics across social media and websites to track the effectiveness of recruitment and marketing campaigns

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Strategic planning 2023/24:

As we move forward the Board have agreed to focus on the following four priorities:

- To focus on a period of consolidation.
- To ensure that a culture of staff wellbeing is at the heart of our people strategy.
- To develop our use of data to inform decision making and intervention.
- To look at a more systematic way of working across all layers of the Trust.

We have used our strategic pillars to structure our development plan:



Pillar 1 - Success Through Learning - Delivering success through learning by providing a great curriculum and teaching to remember.

Consolidation:

- Ensure all our schools are on their Thinking Journey to develop the common language between them.
- Roll out of further common resource areas across core subjects.

Culture:

- Re-establish our curriculum leaders to work closely together to share best practice and expertise.

Data:

- Improve KS2 and KS4 outcomes by developing effective intervention strategy to support the strategic use of the Education Drive Team (EDT).

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Systems:

- Review and update the Trust Digital Learning strategy to support effective deployment of resources to maximise impact on teaching and learning.
- Ensure we have a systematic way to develop the memory agenda across all our schools, with effective use of knowledge banks and other systems to support this.

Our Future Ambitions:

- Have embedded meeting and peer support networks across all levels of our organisation, including school leaders, senior leaders, middle leaders, subject leaders and support staff leaders. This will allow all our staff to have access to best practice and support to ensure the best possible provision in all our schools.
- To have a safety net for all aspects of school life and educational delivery so that schools can access when they need required..
- For our teachers to be experts in the pedagogy of knowledge acquisition, so that our students have the knowledge they need to be successful in their public examinations/assessments.
- For all of our schools to use technology as effectively as possible to support student progress and development.

Pillar 2 - Evolution of Self - We promote a culture of self-improvement and provide Thinking Tools to support our students and staff to become their best selves.

Consolidation:

- To develop the skills and knowledge of the team to ensure we can effectively support Special Resource Provision (SRP) and Alternative Provision (AP) settings through the use of external Service Level Agreements (SLAs).
- Further develop the BYBS journal to enable greater differentiation and a journey towards a mastery model.

Culture:

- To build on the coaching model and roll out wider to support the Trust's ambition to secure 'Coach Mark' status.

Data:

- Work to develop the impact of Professional Growth objectives to ensure that the practice fulfils the expectations outlined in the Policy.
- To track effectively the Total Education offer we have in place across our schools.

Systems:

- To enrol some of our schools, if identified as appropriate, on to the Behaviour Hub programme and share best practice across our Trust.

Our Future Ambitions:

- To become experts in supporting young people to reflect on themselves, including having the ability to recognise how they want to develop, and the knowledge to successfully make these changes to and for themselves.
- To fully embed our Professional Growth strategy to ensure that it positively impacts all of our staff to become their best personal and professional selves.
- To have an embedded culture of continuous improvement through a culture of reflection and coaching.
- To embed the philosophy of Total Education in our schools so that all schools are reflecting on how they deliver all aspects of this vision for our young people, and how they can improve and develop this provision over time.

Pillar 3 - Growing Great Leaders - Enabling staff to access high-quality, personalised CDP opportunities that ensure they are supported in achieving their career aspirations.

Consolidation:

- To relaunch Thinking Horizons and the CPD offer we have for all staff across the Trust, including the various in-house options for Continuous Professional Development for our staff.

Culture:

- Lead on the Year 1 drive for 'Investors in People' ensuring that our leaders are equipped to support the delivery of the new People Strategy with a focus on Inclusive Leadership.

Data:

- Use the data from the 'Welbee' system to support leaders to create schools and departments that promote the Values of Our Trust.

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Systems:

- To embed the new HR recruitment system to ensure school leaders have access to real time information and talent pools.
- To develop CPD tracking and evidence system to support links to Think Ahead.

Our Future Ambitions:

- For Thinking Horizons to be a highly effective 'One-stop-shop' for the CPD needs of our staff.
- For all our staff to be empowered to control their own professional development journey supported through Thinking Horizons.
- For all our staff to use the Professional Growth framework to be on a conscious journey of improvement to be their best selves.
- To have our work recognised through the Investor in People programme.

Pillar 4 - Building with Confidence - Through the effective use of professional development, quality assurance, and data analysis, we work to ensure we know our schools and provide the support they need to be their best.

Consolidation:

- To launch the EDT and their regional representatives, to support our schools with an aim to have a solid foundation for school support.
- To hold an external Governance review and implement recommendations to ensure we have effective structures in place across the Trust.

Culture:

- To establish a culture of Academy Review (AR) meetings to create a more structured process to review school performance including staffing measures.
- To support a number of schools in their first year as TSAT schools to onboard effectively.

Data:

- To ensure that we have an effective data reporting strategy, including the use of heat maps, for leaders and governors.
- To embed a new QA framework and ensure data from this process is used effectively.

Systems:

- To consider how the Single Central Network is working and consider the potential for future development.
- To launch a new HR & Payroll system to reflect the size of Trust we are.

Our Future Ambitions:

- To have embedded Trust and Regional Educational Drive Teams that are able to support and accelerate our schools' improvement over time.
- To have effective data reporting, governance systems and Trust structures to allow for timely and effective strategic support, challenge and oversight.
- To have key data available in real time for school and Trust leaders.
- To have an embedded model of Academy Review that effectively supports, challenges and monitors schools to ensure rapid improvement over time.
- To have efficient systems and processes that support effective onboarding of new schools into Our Trust.
- To have clear Quality Assurance processes that recognises that because of our empowerment model, it is essential that the schools and governors have assurances that the approaches taken by individual schools, is having the intended impact on student educational experiences.
- Assurance that the approaches taken by individual schools, is having the intended impact on student educational experiences.
- To maximise the value of our Single Central Network so that our staff can work collaboratively to reduce workload and easily share best practice for the benefit of all our students.

Pillar 5 - Delivering Value for Money - Showing a commitment to delivering value for money, ensuring the right services are provided in the right way, at the right cost.

Consolidation:

- To ensure the roadmaps that have been used to support school improvement create an effective tool to manage the various workstreams involved.
- To embed the regional staffing models to ensure they are working effectively with their local schools.

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Culture:

- To create the culture of demonstrating value for money explicitly through further work on the cost per pupil model for services.
- To develop a culture across the Trust to seek opportunities to secure additional income through either commercial activities or other opportunities to secure grants.

Data:

- To further develop the expectations around curriculum financial planning and create a 'Safety Net' school structure.
- To use the school condition data to inform sustainability strategies for the estates plan.

Systems:

- To review the MIS used across the Trust following the pilot last year and develop a plan to move Our Trust to a single system over time.

Our Future Ambitions:

- To further develop the reputation of Thinking Solutions for Education (TSfE) to become a market leader in the provision of school services.
- For all leaders in our organisation to recognise that TSfE delivers outstanding services at outstanding value for money through the effective use of review processes and cost per pupil modelling.
- For Our Trust to continue to be financially robust and resilient.
- For our income generation activities to provide maximum value back to the organisation and our schools.

Pillar 6 - Trust of Choice - By supporting our schools, students, and staff to be their best selves and celebrating our collective achievements, we aspire to be the Trust of choice for parents choosing a school for their child and for staff considering the next step in their career.

Consolidation:

- Enhance and improve the various staff networks across Our Trust such as MAT Meets, Senior Leaders, Curriculum Leaders, etc.

Culture:

- To ensure that schools create a culture of wellbeing using the principles established within the 'Wellbeing Charter'.
- Focus on the development of strategies and employee engagement to support recruitment and retention improvements that will enhance our employee value proposition.

Data:

- Develop and share case studies to show "why TSAT?" and the impact we have.

Systems:

- To have a communication strategy that supports effective communication with internal and external stakeholders.

Our Future Ambitions:

- To create and embed a culture of appreciation and recognition in our organisation that supports the wellbeing of all members of our community.
- To have a Trust in which colleagues can easily access timely support when required.
- To be a Trust that staff want to join and remain part of through their career.
- To be recognised by parents as a trusted organisation focused on delivering the best for their children.
- To be the Trust of Choice for schools committed to the use of metacognition.
- Continue to support all our schools to achieve Artsmark Accreditation – demonstrating Our Trust commitment to cultural and creative education and its positive impact on our young people

Going concern

After making appropriate enquiries, the Directors have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

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Key performance indicators

The Directors consider that the following are key performance indicators for the Trust:

- School performance as detailed by the regulator (Ofsted);
- Latest pupil outcome performance;
- Pupil attendance targets;
- Percentage of income spent on teaching staff;
- Percentage of income spent on total staff costs;
- Pupil numbers (leading directly to ESFA funding level);
- General financial stability - aim for income to at least match expenditure each year;
- Staff turnover.

The Directors have established a Quality Assurance Executive team that oversees the performance of all academies within the Trust. It regularly reviews a dashboard completed by the Chief Executive along with information provided by commissioned reviews. As a result of this, the Board is able to ensure that support is targeted at the appropriate areas / schools within the Trust.

Promoting the success of the Trust

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 Trust's employees;
- the need to foster the Trust's business relationships with suppliers, customers and others;
- the impact of the Trust's operations on the community and the environment;
- the desirability of the Trust maintaining a reputation for high standards of business conduct;
- the need to act fairly as between members of the Trust.

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

The Trust has developed a strong reputation as a high performing Trust which is reflected in the growth in the Southwest and East of England and links to one of the Trust's strategic pillars - to be Trust of Choice.

Employee Voice is very important to the Trust and staff are regularly asked for their feedback and opinion so that we can use this to inform improvements or enhancements that can be made to our offering as a great employer – this is linked to our commitment to the Investors in People scheme.

Through our trading subsidiary, TSfE, we have developed an outstanding reputation for our high standards of business conduct, being asked by the ESFA to support with a number of academies in need of strong financial management.

Fundraising

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

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Streamlined Energy and Carbon Reporting (SECR) for the Thinking Schools Academy Trust:

UK Greenhouse gas emissions and energy use data	Current Reporting 2022/23	Comparison Reporting year 2021/22
Energy consumption used to calculate emissions (kWh)	12,963,488	13,777,724
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	1,306.68	1,458.80
Oil consumption	335.22	335.22
Owned transport – mini-buses, pool cars, department vans	38.52	24.42
Total Scope 1	1,680.42	1,818.44
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	853.08	846.17
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles *	45.03 *	15.47 *
Total gross emissions in metric tonnes CO₂e	2,578.54	2,680.08
Intensity ratio Tonnes CO ₂ e per pupil	0.20	0.22

* There has been a substantial increase in travel down to the South West to support the hub schools that have joined the Trust recently.

The information in the table above follows the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We have:

- continued to use video conferencing for staff and inter-school meetings where feasible.
- instigated a large £100k project to bring LED lighting into several locations, along with more energy efficient catering equipment.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust distributes 16-19 bursary funds to the students as an agent for the ESFA. Details, including any amounts not dispersed by the financial year end, are disclosed in note 35 to the financial statements.

As a School Direct provider, the Trust is also in receipt of funding on behalf of other schools in the local area, as well as trainee teachers. the Trust is responsible for ensuring that these funds are distributed appropriately and within the agreed timescale.

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Financial review

The results for the year ended 31 August 2023 are influenced by the inclusion of fair value notional donations in the consolidated Statement of Financial Activities ("SoFA"), and reflected in note 3, to bring the assets and liabilities, including in each case the value of the school land and buildings, on to the Trust's Balance Sheet for joiner academics:

- Furzeham Academy, previously a local authority maintained school, joined the Trust on 1 November 2023. The net donation income of £4.65m is detailed on note 28.
- Brixham College, an existing academy, joined the Trust on 1 September 2023. The net donation of £9.02m representing the value of this school's assets is detailed in note 38.
- Colchester Royal Grammar School, also an existing academy, joined the Trust on 1 May 2023. The net donation income reflected to transfer this school in of £15.4m is detailed in note 38.

The financial statements represent group financial statements. Details of the Trust's subsidiary companies which are consolidated in the Group accounts are provided in note 17. In accordance with accounting requirements the SoFA provides details of the Group consolidated income and expenditure, after the elimination of any transactions between Group companies. Both a consolidated Balance Sheet and the Trust's own individual Balance Sheet are included within the financial statements. Note 36 provides details in respect of the parent company Academy Trust's own net movement in funds.

Most of the Trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to specific purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the SoFA. Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total Group income for the year was £121.9m compared to £83.59m in the previous year. Over 99% of this total income related to the parent Academy Trust, and note 4 shows the subsidiary income consolidated into the Group accounts.

These totals also include capital funding of £3.9m (2022: £3.0m), primarily guaranteed School Condition Allocation (SCA) from the ESFA. The Group's income can therefore be split as follows:

	2023 (£000s)	2022 (£000s)
Revenue income for the day to day running of the Trust's academies	87,998	67,118
Net donation for inherited assets for joining academics	29,098	12,272
Capital funding	3,858	3,010
Donated capital assets	-	273
Subsidiary income	990	916
	121,944	83,589

Revenue income funding therefore increased by £20.9m. The majority of this income related to funding for education operations, as detailed in note 5, and within this the greatest element was core General Annual Grant (GAG) funding from the ESFA.

This increase in revenue income funds is mainly attributable to a £17.3m rise in DfE/ESFA grants to £79.4m. This is partly attributable to general funding increases, but is also impacted by the academies that joined the Trust during the year (total revenue income of £11.5m), together with, for the first time, the results including Plympton Academy for the full financial year (only 8 months income in 2021/22).

The consolidated SoFA shows net income for the year of £28.8m (2022: £6.9m). The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £36.7m (2022: increase of £44.2m). The actuarial gain on the LGPS during the year shown in the table below 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 30. The actuarial gain for the year is only part of the overall movement in the carried deficit, which has decreased during 2022/23 by £5.3m. The other elements are charged to the SoFA as expenditure for the year, within staff costs, as detailed in accounting policy 1.17.

The movement on revenue income 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 £3.74m (2022: £893k):

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	2023 (£000s)	2022 (£000s)
Overall net movement in Group funds for the year per SoFA	36,712	44,213
<u>Add:</u>		
Decrease / (increase) attributable to fixed asset fund	(27,705)	(15,457)
LGPS liabilities inherited from joining academies	1,578	4,241
LGPS actuarial (gain)/loss	(7,871)	(37,322)
LGPS service and interest costs	1,022	5,218
Total movement in-year on Group revenue income funds	3,736	893

This movement in revenue income funds still does not represent an operational result for two reasons:

- i. part of the movement on revenue income funds arises due to funds inherited when academies joined the Trust;
- ii. the Trust opted to invest £1.49m (2022: £1.52m) of revenue funding in acquiring capital assets, and these 'revenue to capital contributions' are shown on the SoFA as transfers into the restricted fixed asset fund.
- iii. an exceptional £1m credit to the SoFA after the ESFA agreed to write off historic inherited debt in relation to Goodwin Academy.

The following table has therefore been included to reconcile to the operational result:

	2023 (£000s)	2022 (£000s)
Total movement in-year on Group revenue income funds	3,736	893
Less: surplus inherited on revenue funds from other joining academies	(2,868)	(92)
Add: revenue to capital transfers	1,492	1,520
Less: Donation reflected for write off of Goodwin Academy debt	(1,000)	-
Operational surplus on Group revenue funds	1,360	2,321

At 31 August 2023, the Group held fixed assets with a value of £151m (2022: £124m) and movements in tangible fixed assets are shown in notes 15 and 16 to the financial statements. Most of these assets are owned by the parent Academy Trust and £146m (2022: £115m) relates to the value of leasehold school buildings.

During the year the Trust has provided a fully managed central services to its academies during the year. Each academy school pays a 'top slice' of their General Annual Grant 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 12 to the financial statements.

Financial position

The Group held fund balances at 31 August 2023 of £159.60m (2022: £122.89m). All funds apart from £134k (2022: £113k) related to the parent Academy Trust. These funds included restricted fixed asset funds of £153.35m (2022: £125.64m) and revenue income funds of £7.49m (2022: £3.75m).

Restricted revenue income funds stood at £2.30m as at 31 August 2023 (2022: £1.31m). The Group also has completely "free" unrestricted reserves of £5.19m (2022: £2.45m) which can be spent in any way which meets the Trust's charitable objects.

The pension reserve, relating to the present value of the Local Government Pension Scheme defined benefit liability, shows a deficit balance of £1.24m at 31 August 2023 (2022: deficit of £6.51m). In accordance with accounting requirements, the Trust's share of LGPS is carried on the Balance Sheet, with movements each year quantified by the Local Authorities' actuaries and reflected through the SOFA. Further information about the accounting estimates made in respect of the LGPS are detailed in note 2 with the actuarial assumptions used by the actuaries who prepared the valuation reports detailed in note 30.

It is noteworthy that the pension 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.

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Directors' Report

For the year ended 31 August 2023

Reserves policy

The Directors review the reserve levels of the Trust, and of each individual academy, on an annual basis, in conjunction with the Reserves and Investments Policy. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Directors have determined that the permitted level of free reserves for recurrent costs should be maintained in order to provide sufficient working capital to cover delays between spending and receipt of grants, and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At 31 August 2023 the Trust held revenue income reserves of £7.36m (2022: £3.64m), shown on the Trust's individual Balance Sheet as restricted income funds of £2.30m (2022: £1.31m) and completely free unrestricted funds of £5.06m (2022: £2.33m). The board continually reviews the reserves balance to ensure it is at an adequate level and suitable to manage future uncertainties.

Whilst the unrestricted fund is held by individual academies, the Trust reserves the right to redeploy these resources to meet the wider needs of the organisation.

Principal risks and uncertainties

The Directors have assessed the major risks to which each academy and the overall Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of each academy and its finances. Each academy has an effective system of internal financial controls, and this is explained in more detail in the Governance Statement.

The main categories of risks that each academy is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and avoidance plans. The Board has classified all its risks into 4 categories and reviews the risk register at every board meeting:

- *Strategic and Reputational* - This covers unfavourable Ofsted reports, risk of uncontrollable events and insufficient demand for academy services, competition from other schools with similar objects and little scope for differentiation, and also includes the capacity of existing buildings to deliver teaching and learning to students.
- *Operational risks* – These are the risks associated with appointing the right quality staff and Governors to lead the organisation and the individual academies. These also cover day to day operation of academies, including estate safety and management, ensuring each academy's building is fit for purpose and meets the needs of students and staff.
- *Compliance risk* – The risks in connection with meeting statutory requirements relating to employment, Health & Safety and those set by the DfE.
- *Finance risk* - The Board monitors the financial risk associated with managing a large organisation that balances local autonomy with the need to establish good financial controls. There are also risks in connection with the deficit on the Local Government Pension Scheme, although the Directors are comfortable with the current level of employer contributions the academies are required to pay.

Financial and risk management objectives and policies

None of the individual academies use complex financial instruments. Each academy manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from operations.

The main risks arising from the academies' financial activities are liquidity risk, cash flow interest rate risk, and credit risk, as detailed below:

- *Liquidity risk* – the Trust operates a pooled bank account and so that all its operating needs are met without the need for short-term borrowing.
- *Interest rate risk* - the Trust earns interest on cash deposits. With interest rates currently increasing, the Directors consider action to increase the income from these deposits, in line with our Reserves and Investments Policy, ensuring it does not jeopardise the liquidity or security of the academy's assets.
- *Credit risk* - this arises from the possibility that amounts owed to the academies will not be repaid. None of the academies undertake any material credit advancement activities so are only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

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For the year ended 31 August 2023

DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Directors are aware:

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

AUDITORS

The auditors, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered in due course.

This report, incorporating the Strategic report, was approved by order of the Board of Directors and signed on the Board of Director's behalf by:

DocuSigned by:
Gerard Newman
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Mr. G. Newman, Chair of Directors

Date: 14 December 2023

DocuSigned by:
Stuart Gardner
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Mr. S. Gardner, Chief Executive and Accounting Officer

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Governance Statement

Scope of Responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that the 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, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. 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 met formally six times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

<u>Director</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. G. Newman, Chair of Trustees	6	6
Mr. S. Gardner, Chief Executive	6	6
Mr. M.R. Bailey	2	6
Mr. D. Morrison	5	6
Mr. P. Martin	6	6
Ms. J. Spurgeon	2	6
Mr. S. Geary	4	6
Mrs. T. Hurtado	5	6
Mr. C. Star	5	6
Mr. I. Mason	3	6
Mrs. K. Bettye	5	6
Mrs. L. Keslake	0	1

In addition to the six formal meetings identified above, the Trust holds a 'Business Meeting' in September where all Directors, Governors and Advisory Board Members are invited to receive an update from the Executive regarding the previous year's performance and priorities for the year ahead. Directors also attend a two-day leadership conference in July where they work with the Executive and Heads to develop strategies for the Trust and its schools.

Each Academy is part of a Regional Governing Body that is made up of parents, staff and those appointed by Directors.

The Board have agreed a Regional Governing Body structure of 6 groups: Strood, Chatham, Kent, Portsmouth, Torbay and Plymouth plus an Interim Management Board for Colchester Royal Grammar School.

Directors retain the ability to appoint the Governors that serve on the Regional Governing Body and have agreed a structure that appointments are based on skills assessments. A scheme of delegation is in place to clearly show the delegated powers from the Board to the Regional Governing Bodies.

Each Academy has an advisory body that is made up of local stakeholders that act as a critical friend for the Academy and provide input into the decision making of the Regional Governing Body and/or Trust board.

Each Regional Governing Body has its own independent Finance and Staffing Committee acting as a sub-committee of the Regional Governing Body. The purpose of the Finance and Staffing Committee is to assist the decision making of their Regional Governing Body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the school's finances and resources, including proper planning, monitoring and probity.

As part of our ongoing commitment to improve our governance arrangement the Board has established a Governance and Compliance Committee that continually reviews the governance function of the organisation and oversees the implementation of improvements that are identified.

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Governance Statement

The Board has a Finance Committee that has met three times this year. Attendance at the Finance Committee meetings in the year was as follows:

<u>Director</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. S. Gardner	2	3
Mr. G. Newman	3	3
Mr. M. Bailey	1	3
Mr. P. Martin	1	3
Mr. A. Jackson	0	2
Mr. R. Burnett	3	3
Mrs. L. Keslake	0	1

The Audit Committee is also a sub-committee of the main Board of Directors. Its purpose is to review the risks to internal financial control at the Trust, liaising with internal and external auditors as necessary. During the year the Audit Committee has considered the risks the Trust faces, and directed the work of the internal auditors towards these areas, and established a programme of internal audit checks to provide assurance on the operation of the systems and controls in the academies that have joined the Trust during the year and since the year end.

Attendance at meetings in the year was as follows:

<u>Director</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. P. Martin, Chair	3	3
Mr. D. Morrison	2	3
Mr. G. Newman,	3	3
Mr. C. Star	1	3
Mr. I. Mason	2	3

The Chief Executive and Deputy Chief Executive are invited to each meeting and provide the management information for the Committee to consider and evaluate.

The Staffing, Pay & Performance Management Committee has met 3 times this year. Attendance at meetings in the year was as follows:

<u>Director</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. P. Martin	0	3
Mr. S. Gardner	3	3
Mr. M. Bailey	2	3
Ms. J. Spurgeon	2	3
Mr. G. Newman	3	3

Conflicts of Interest

Conflicts of Interest are checked regularly by way of an annual statement from each trustee as well as confirmation at each Full Board and Committee meeting. Were there to be any conflict of interest declared the individual would not be able to take part in the agenda item discussion or voting. This would be documented by the Clerk to Trustees.

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.

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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 Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Using senior staff to support other Academy Trusts that has resulted in a reduction in senior staff net costs to the Trust;
- Pooling the procurement decisions across Central Services, such as Personnel, Finance, Facilities and Technology has led to an ability to generate reductions in cost per pupil for these services compared to previous years. Administration of procurement and contracts has also been reduced through this approach;
- Regular review in order to be satisfied that the Trust's estate is safe, well-maintained and complies with relevant regulations.
- Commissioning Reinforced Autoclaved Aerated Concrete (RAAC) surveys to determine whether RAAC was present at each school, and then working closely with Medway County Council and the Department for Education to reduce the Trust's financial exposure arising from the identification of RAAC at Holcombe Grammar School and ensuring the estate remained safe and complied with regulations.
- Using the Lettings Team to focus on income generation from use of the Trust estate that can benefit all academies within the Trust; and
- Opening new Thinking Fitness gyms at academies to increase income generation.

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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

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 an appropriate formal ongoing process for identifying, reporting on, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Finance 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;
- identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and decided to appoint TSO Education to perform an internal audit function for the Trust.

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Governance Statement

The appointees' role includes giving advice on matters of risk and internal control and performing a range of checks on the Trust's processes and systems. The Audit Committee has designed a programme of work across the Trust which is based on the relative risks. The appointee has performed regular system checks throughout the year focusing on payroll procedures, and Safeguarding and has reported to the Board of Directors on the operation of the systems of control and on the discharge of the Board of Directors' responsibilities.

During the year ended 31 August 2023 the internal audit function has been fully delivered as planned, and in line with the requirements of the Education & Skills Funding Agency. No material control issues have arisen and any recommendations for improvements are reported and monitored by the Audit and Risk Committee.

The Internal Scrutiny programme for 23/24 will focus on areas identified as high risk following an internal compliance review, alongside a review of areas that are due for a renewed scrutiny visit. These will be compliance of internal catering provision (Thinking Food), H&S practices and Data Protection.

Review of Effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and a plan to address any identified weaknesses and ensure continuous improvement of the management and control processes and systems is in place.

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

DocuSigned by:
Gerard Newman
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Mr. G. Newman, Chair of Directors

DocuSigned by:
Stuart Gardner
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Mr. S Gardner, Chief Executive and Accounting Officer

Date: 14 December 2023

The Thinking Schools Academy Trust
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Statement of Regularity, Propriety and Compliance

As accounting officer of The Thinking Schools Academy Trust, I have considered my responsibility to notify the Trust Board of Directors and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

I confirm that 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.

DocuSigned by:

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Mr. S. Gardner
Accounting Officer

Date: 14 December 2023

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Statement of Directors' responsibilities
For the Year Ended 31 August 2023

The Directors (who are also the directors of the charitable company for the purposes of company 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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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

DocuSigned by:

Gerard Newman

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Mr. G. Newman
(Chair of Directors)

Date: 14 December 2023

The Thinking Schools Academy Trust
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Independent Auditors' Report on the financial statements to the Members of The Thinking Schools Academy Trust

Opinion

We have audited the financial statements of The Thinking Schools Academy Trust (the 'parent Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Trust's affairs as at 31 August 2023 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

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 Group's or the parent 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 The Thinking Schools Academy Trust (continued)

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the parent 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:

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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 Group's and the parent 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 Group or the parent 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 Academy 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 Academy Trust, including the Academy Trust Handbook, Annual Accounts Direction, Charity SORP and the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy 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.

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

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Thinking Schools Academy Trust (continued)

- were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

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

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

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

Use of our report

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

Allan Hickie BSc FCA (Senior Statutory Auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 19 December 2023

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Thinking Schools Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 7 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Thinking Schools Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Thinking Schools Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Thinking Schools Academy Trust's funding agreement with the Secretary of State for Education dated 26 August 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

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

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

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

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Thinking Schools Academy 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: 19 December 2023

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2023

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants	3	2,278	(116)	31,666	33,828	15,611
Other trading activities	4	2,221	214	-	2,435	1,972
Investments	6	249	-	-	249	5
Funding for educational operations	5	374	84,865	-	85,239	66,001
Provision of boarding activities	39	-	193	-	193	-
Total income		5,122	85,156	31,666	121,944	83,589
Expenditure on:						
Raising funds	7	769	-	-	769	747
Charitable activities	8	986	85,812	5,453	92,251	75,941
Provision of boarding activities	39	-	83	-	83	-
Total expenditure		1,755	85,895	5,453	93,103	76,688
Net income/(expenditure) before taxation		3,367	(739)	26,213	28,841	6,901
Taxation		-	-	-	-	(10)
Net income/(expenditure) after taxation		3,367	(739)	26,213	28,841	6,891
Transfers between funds	21	(623)	(869)	1,492	-	-
Net movement in funds before other recognised gains		2,744	(1,608)	27,705	28,841	6,891
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	30	-	7,871	-	7,871	37,322
Net movement in funds		2,744	6,263	27,705	36,712	44,213
Reconciliation of funds:						
Total funds brought forward		2,448	(5,205)	125,642	122,885	78,672
Net movement in funds		2,744	6,263	27,705	36,712	44,213
Total funds carried forward	21	5,192	1,058	153,347	159,597	122,885

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

The notes on pages 44 to 81 form part of these financial statements.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)
Registered number: 07359755

Consolidated Balance Sheet
As at 31 August 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	15	7	110
Tangible assets	16	151,038	123,793
		151,045	123,903
Current assets			
Stocks	1	53	53
Debtors	18	3,987	3,527
Cash at bank and in hand		13,602	10,719
		17,590	14,299
Creditors: amounts falling due within one year	19	(7,566)	(7,556)
Net current assets		10,024	6,743
Total assets less current liabilities		161,069	130,646
Creditors: amounts falling due after more than one year	20	(232)	(1,250)
Defined benefit pension scheme liability	30	(1,240)	(6,511)
Total net assets		159,597	122,885
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	153,347	125,642
Restricted income funds	21	2,298	1,306
Pension reserve	21	(1,240)	(6,511)
Total restricted funds	21	154,405	120,437
Unrestricted income funds	21	5,192	2,448
Total funds		159,597	122,885

The financial statements on pages 40 to 81 were approved and authorised for issue by the Directors and are signed on their behalf, by:

DocuSigned by:

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Mr. G. Newman
 (Chair of Directors)

DocuSigned by:

 3BA43EB0434046A...

Mr. S. Gardner
 (Chief Executive and Accounting Officer)

Date: 14 December 2023

The notes on pages 44 to 81 form part of these financial statements.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)
Registered number: 07359755

Trust Balance Sheet
As at 31 August 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	15	7	110
Tangible assets	16	151,030	123,782
Investments	17	25	25
		151,062	123,917
Current assets			
Stocks		1	53
Debtors	18	4,019	3,599
Cash at bank and in hand		13,403	10,444
		17,423	14,096
Creditors: amounts falling due within one year	19	(7,550)	(7,480)
Net current assets		9,873	6,616
Total assets less current liabilities			
		160,935	130,533
Creditors: amounts falling due after more than one year	20	(232)	(1,250)
Net assets excluding pension liability		160,703	129,283
Defined benefit pension scheme liability	30	(1,240)	(6,511)
Total net assets		159,463	122,772
Funds of the Trust			
Restricted funds:			
Fixed asset funds	21	153,347	125,642
Restricted income funds	21	2,298	1,306
Pension reserve	21	(1,240)	(6,511)
Total restricted funds	21	154,405	120,437
Unrestricted income funds	21	5,058	2,335
Total funds		159,463	122,772

The financial statements on pages 40 to 81 were approved and authorised for issue by the Directors and are signed on their behalf, by:

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Mr. G. Newman
 (Chair of Directors)

DocuSigned by:

 3BA43EB0434046A...

Mr. S. Gardner
 (Chief Executive and Accounting Officer)

Date: 14 December 2023

The notes on pages 44 to 81 form part of these financial statements.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Consolidated Statement of Cash Flows
For the Year Ended 31 August 2023

	Note	2023 £000	<i>2022</i> <i>£000</i>
Cash flows from operating activities			
Net cash provided by operating activities	23	4,267	4,025
Cash flows from investing activities	25	(410)	<i>(3,656)</i>
Cash flows from financing activities	24	(974)	380
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		2,883	749
Cash and cash equivalents at the beginning of the year		10,719	9,970
Cash and cash equivalents at the end of the year	26, 27	<hr/> <hr/>	<hr/> <hr/>
		13,602	10,719

The notes on pages 44 to 81 form part of these financial statements

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. 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.

1.1 Basis of preparation of financial statements

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

The Thinking Schools Academy Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Trust and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 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 and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Goodwin Academy was transferred into the Trust on 1 September 2018, which resulted in a significant negative impact on held reserves in the prior year which remain. Assurances have been agreed with the ESFA that any cash repayment of this liability will be at a point when financial sustainability of Goodwin Academy within the Trust has been established.

1.3 Income

All incoming resources are recognised when the Group has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Consolidated 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.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Group on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Group**

Where assets and liabilities are received on the transfer of an existing academy into the Group, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised for the transfer of an existing academy into the Group within 'Income from Donations and Capital Grants' to the net assets acquired.

- **Donated fixed assets (excluding transfers on conversion or into the Group)**

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

- **Expenditure on raising funds**

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

Where relevant, expenditure is inclusive of any irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.6 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.

1.7 Intangible assets

Intangible assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

1.8 Tangible fixed assets

All equipment and property improvements costing more than £20,000 are capitalised 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 Consolidated 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 Consolidated Statement of Financial Activities.

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

Depreciation is provided on the following bases:

Long-term leasehold property	- over 125 year term of lease
Long-term leasehold property improvements	- 10%
Furniture and equipment	- 20-25%
Plant and machinery	-
Computer equipment	- 33.33%
Assets under construction	- Not depreciated

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 Consolidated Statement of Financial Activities.

1.9 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.10 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.11 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.

1.12 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.14 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.15 Financial instruments

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 18. Prepayments are not financial instruments. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.16 Operating leases

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

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.17 Pensions

Retirement benefits to employees of the Group 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 Group 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 Group 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 Consolidated Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.18 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 35.

1.19 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

2. 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 30, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rates used by the different actuaries across the Academy Trust's schemes are higher than the rates used in 2022. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit during the year.

Critical areas of judgment:

LGPS pension assets

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 the Kent Pension Fund LGPS actuarial valuation report for the year ended 31 August 2023 indicates a defined benefit asset of £859k existed at the year end date, the Trustees have considered that there is insufficient evidence that a surplus being recognised would ever result in a repayment or reduction in contributions, given that such a surplus is probably only temporary. Also, as a longer term employer that is open to new members, there isn't a reasonable expectation that the Academy Trust will ever reach a point of cessation that would enable access to a return of surplus.

The actuarial gain in respect of the Kent Pension Fund has therefore been restricted by £859k to leave a break even position and neither an asset or liability has been recognised for the Trust's Kent academies within the overall defined benefit pension obligation.

The Trust is responsible for academies spanning a number of other Local Authorities; Devon, Essex and Hampshire. The valuation reports for these all show defined benefit pension deficits at 31 August 2023, and thus the overall deficit shown on the balance sheet is the combined deficits for these Local Authorities.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Transfer from local authority on conversion (Note 28)	179	(128)	4,596	4,647	-
Transfer in of existing academy trusts (Note 38)	2,077	(838)	23,212	24,451	12,272
Donated assets	-	-	-	-	273
Donations	22	850	-	872	56
Capital grants	-	-	3,858	3,858	3,010
	<u>2,278</u>	<u>(116)</u>	<u>31,666</u>	<u>33,828</u>	<u>15,611</u>
<i>Analysis of 2022 total by fund</i>	<u>58</u>	<u>(4,151)</u>	<u>19,704</u>	<u>15,611</u>	

Donations include the ESFA debt written off in the year is in respect of the Recoverable Funding Debt taken on by the Trust when Goodwin Academy (GWA) joined. On 23 August 2023, the Trust was informed that HM Treasury and given approval for the ESFA to write off this debt.

4. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Hire of facilities	662	-	662	516
Thinking Fitness	220	-	220	127
Catering	273	-	273	207
School clubs	17	139	156	128
Sales of goods and services	55	46	101	63
Subsidiary income	990	-	990	916
Other	4	29	33	15
	<u>2,221</u>	<u>214</u>	<u>2,435</u>	<u>1,972</u>
<i>Analysis of 2022 total by fund</i>	<u>1,820</u>	<u>152</u>	<u>1,972</u>	

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

5. Funding for educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	<i>As restated Total funds 2022 £000</i>
Funding for educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	64,522	64,522	51,797
Other DfE/ESFA grants				
16 to 19 core funding	-	6,550	6,550	4,671
Pupil premium	-	3,974	3,974	3,282
Schools supplementary grant	-	1,958	1,958	703
Mainstream schools additional grant	-	1,045	1,045	-
UIFSM	-	478	478	426
Teachers' pension grant	-	274	274	172
Others	-	624	624	1,025
	-	79,425	79,425	62,076
Other Government grants				
Local authority - Special educational projects	-	1,676	1,676	1,083
Local authority grants	-	1,390	1,390	714
Local authority - Early years	-	118	118	116
	-	3,184	3,184	1,913
Other income from educational operations	374	1,473	1,847	1,330
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	783	783	682
	-	783	783	682
	374	84,865	85,239	66,001
<i>Analysis of 2022 total by fund</i>	424	65,577	66,001	

The comparative figures in this note have been reclassified where appropriate, with the main change to strip out 16 to 19 funding from GAG and include this income under the separate row within Other DfE/ESFA grants.

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Bank interest	249	249	5
<i>Analysis of 2022 total by fund</i>	5	5	

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	<i>Total 2022 £000</i>
Expenditure on fundraising trading activities:					
Direct costs	554	-	215	769	747
Educational operations:					
Direct costs	57,566	2,507	10,012	70,085	54,967
Allocated support costs	11,715	5,913	4,538	22,166	20,974
Boarding activities:					
Direct costs	-	-	8	8	-
Allocated support costs	48	-	27	75	-
	<u>69,883</u>	<u>8,420</u>	<u>14,800</u>	<u>93,103</u>	<u>76,688</u>
<i>Analysis of 2022 total</i>	<u>57,448</u>	<u>4,751</u>	<u>14,489</u>	<u>76,688</u>	

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8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000	<i>Total 2022 £000</i>
Funding for educational operations	986	91,265	92,251	75,941
<i>Analysis of 2022 total</i>	456	75,485	75,941	

9. Analysis of expenditure by activities

	Direct costs 2023 £000	Support costs 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Funding for educational operations	70,085	22,166	92,251	75,941
<i>Analysis of 2022 total</i>	54,967	20,974	75,941	

Analysis of support costs

	Funding for educational operations 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Staff costs	11,715	11,715	13,236
Technology costs	465	465	373
Maintenance of premises	5,888	5,888	4,610
Governance costs	40	40	70
Other support costs	4,058	4,058	2,685
	22,166	22,166	20,974
<i>Total 2022</i>	20,974	20,974	

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Notes to the Financial Statements
For the Year Ended 31 August 2023

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	<i>2022</i>
	£000	<i>£000</i>
Operating lease rentals	290	189
Depreciation of tangible fixed assets	4,938	5,466
Amortisation of intangible assets	103	12
Loss on disposal of fixed assets	-	70
Fees paid to auditors for:		
- audit	37	38
- other services	5	6
	<u> </u>	<u> </u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group	<i>Group</i>	Trust	<i>Trust</i>
	2023	<i>2022</i>	2023	<i>2022</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Wages and salaries	53,470	39,180	53,010	38,641
Social security costs	5,305	4,079	5,267	4,036
Pension costs	10,831	13,500	10,810	13,475
	<u>69,606</u>	<u>56,759</u>	<u>69,087</u>	<u>56,152</u>
Agency staff costs	163	634	163	634
Staff restructuring costs	114	55	114	55
	<u>69,883</u>	<u>57,448</u>	<u>69,364</u>	<u>56,841</u>

Staff restructuring costs comprise:

Severance payments	<u>114</u>	<u>55</u>	<u>114</u>	<u>55</u>
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The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

11. Staff (continued)

b. Severance payments

The Group paid 8 severance payments in the year (2022 - 5), disclosed in the following bands:

	Group 2023 No.	<i>Group 2022 No.</i>
£0 - £25,000	6	5
£25,001 - £50,000	2	-
	<u> </u>	<u> </u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £104k (2022: £36k). Individually, the payments were: £40k, £30k, £20k, £7k, £6k and £1k.

d. Staff numbers

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

	Group 2023 No.	<i>Group 2022 No.</i>	Trust 2023 No.	<i>Trust 2022 No.</i>
Teachers	794	635	794	635
Administrative and support	1,032	819	1,012	797
Management	32	31	29	28
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	<u>1,858</u>	<u>1,485</u>	<u>1,835</u>	<u>1,460</u>

e. Higher paid staff

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

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	48	16
In the band £70,001 - £80,000	11	11
In the band £80,001 - £90,000	8	4
In the band £90,001 - £100,000	2	2
In the band £110,001 - £120,000	5	3
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
In the band £180,001 - £190,000	-	1
In the band £190,001 - £200,000	1	-
	<u> </u>	<u> </u>

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

11. Staff (continued)

f. Key management personnel

The key management personnel of the Group 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 Group was £1,174k (2022 - £1,004).

12. Central services

The Trust has provided a fully managed central service to its academies during the year.

In line with the Trust's move to a fairer and consistent method of cost recovery for Central support services, a new cost per pupil method has been introduced to replace the previous top slice method. An Educational Levy charge has been created to cover all financial activity under the accountability of the Executive.

Partnership Agreements for key support services cover all costs associated with the services under the accountability of the relevant Head of Service.

The Educational Levy for 2022/23 covers the following services:

Core Strategic and Educational Support:

- Chief Executive Leadership time and support
- Deputy CEO time and support
- Director of Education time and support
- All Headteacher salary costs
- Trust governance and risk management
- Safeguarding and attendance
- Legal advice and support
- Communication and Marketing support
- External quality assurance consultants

In addition to this, each school enters into an individual and bespoke 'Partnership Agreement' for the Trust to provide certain services centrally on their behalf:

Financial Services:

- Audit fees (both internal and external)
- Strategic financial support e.g. budget planning and monitoring
- Technical account support
- Transactional processing

Personnel Services:

- HR services and policy development
- In-house payroll system and service
- Employee relations case management
- Recruitment and retention services
- Performance Management systems and support

Technology Services:

- Fully managed helpdesk and on-site technical support
- ICT, Capital and Digital Strategy development
- Core IT infrastructure/management services and support
- Management and development of a Single Unified Network
- Procurement and support of devices throughout the Trust

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

12. Central services (continued)

Facilities Services:

- Fully managed helpdesk and on-site facilities support
- Health and Safety systems and policy development
- Management of all minor and major building work programmes
- Pro-active management of all H&S compliance checks

Communications, Marketing and Design Services:

- Marketing and communication strategy development
- Press and stakeholder communications
- Brand management and development
- Design and print consultancy
- Social media and website content creation
- Website re-design, content and compliance support

Within the Trust all schools contribute toward core Trust costs and in 22/23 this equated to £3,729k. This figure is a marked increase from 21/22 due to the new schools that have joined the Trust and increased core costs. Contributions were as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
Strood Hub (AFS/CDR/GOR)	504	458
Chatham Hub (VIC/HGS/NHO)	769	793
Goodwin Academy (GWA)	423	246
New Horizons Primary School (NHP)	137	179
Meon/Moorings Way (MIS/MJS/MWI)	283	332
Penhale Infant School/Newbridge Junior School (PHI/NBR)	358	261
Plymouth High School (PHS)	191	232
The Rochester Grammar School (RGS)	240	325
The Portsmouth Academy (TPA)	447	306
Brixham College (BRI)	310	-
Colchester Royal Grammar School (CRL)	23	-
Maritime Academy (MAR)	44	-
Total	3,729	<i>3,132</i>

In addition to this, the Trust has established a pooled arrangement for staffing and procurement for finance, HR, premises management, IT and communications and marketing and has agreed service level agreements with the schools to deliver these.

The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

13. Directors' remuneration and expenses

The CEO has been paid remuneration and other benefits from his employment with the Trust. He only receives remuneration in respect of services he provides undertaking his role of CEO under his contract of employment. The value of his remuneration and other benefits was as follows:

		2023	<i>2022</i>
		£000	<i>£000</i>
Mr. S. Gardner (CEO)	Remuneration	185 - 190	<i>185 - 190</i>
	Pension contributions paid	40 - 45	<i>40 - 45</i>
	Other benefits	5 - 10	<i>5 - 10</i>

During the year ended 31 August 2023, no Director expenses have been incurred (*2022 - £1k was reimbursed to 1 Director*).

14. Directors' and Officers' insurance

The Group 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.

15. Intangible assets

Group and Trust

	Computer software
	£000
Cost	
At 1 September 2022	123
At 31 August 2023	123
Amortisation	
At 1 September 2022	13
Charge for the year	103
At 31 August 2023	116
Net book value	
At 31 August 2023	7
<i>At 31 August 2022</i>	<i>110</i>

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

16. Tangible fixed assets

Group

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	130,936	5,745	1,929	7,079	145,689
Additions	1,736	1,091	134	1,556	4,517
Inherited on conversion	4,596	-	-	-	4,596
Disposals	-	-	(124)	(83)	(207)
Transfers between classes	5,139	(5,665)	-	526	-
Transfer in of existing academy trust	28,001	564	1,649	1,065	31,279
At 31 August 2023	<u>170,408</u>	<u>1,735</u>	<u>3,588</u>	<u>10,143</u>	<u>185,874</u>
Depreciation					
At 1 September 2022	15,774	-	1,769	4,353	21,896
Charge for the year	2,960	-	173	1,808	4,941
On disposals	-	-	(124)	(83)	(207)
Transfer in of existing academy trust	5,801	-	1,467	938	8,206
At 31 August 2023	<u>24,535</u>	<u>-</u>	<u>3,285</u>	<u>7,016</u>	<u>34,836</u>
Net book value					
At 31 August 2023	<u><u>145,873</u></u>	<u><u>1,735</u></u>	<u><u>303</u></u>	<u><u>3,127</u></u>	<u><u>151,038</u></u>
At 31 August 2022	<u><u>115,162</u></u>	<u><u>5,745</u></u>	<u><u>160</u></u>	<u><u>2,726</u></u>	<u><u>123,793</u></u>

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Notes to the Financial Statements
For the Year Ended 31 August 2023

16. Tangible fixed assets (continued)

Trust

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation					
At 1 September 2022	130,936	5,745	1,903	7,079	145,663
Additions	1,736	1,091	134	1,556	4,517
Inherited on conversion	4,596	-	-	-	4,596
Disposals	-	-	(124)	(83)	(207)
Transfers between classes	5,139	(5,665)	-	526	-
Transfer in of existing academy trust	28,001	564	1,649	1,065	31,279
At 31 August 2023	<u>170,408</u>	<u>1,735</u>	<u>3,562</u>	<u>10,143</u>	<u>185,848</u>
Depreciation					
At 1 September 2022	15,774	-	1,754	4,353	21,881
Charge for the year	2,960	-	170	1,808	4,938
On disposals	-	-	(124)	(83)	(207)
Transfer in of existing academy trust	5,801	-	1,467	938	8,206
At 31 August 2023	<u>24,535</u>	<u>-</u>	<u>3,267</u>	<u>7,016</u>	<u>34,818</u>
Net book value					
At 31 August 2023	<u>145,873</u>	<u>1,735</u>	<u>295</u>	<u>3,127</u>	<u>151,030</u>
At 31 August 2022	<u>115,162</u>	<u>5,745</u>	<u>149</u>	<u>2,726</u>	<u>123,782</u>

Included in land and buildings is leasehold land of £21.1m (2022 - £14.2m) which is not depreciated.

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Notes to the Financial Statements
For the Year Ended 31 August 2023

17. Fixed asset investments

Trust	Investments in subsidiary companies £000
Cost or valuation	
At 1 September 2022	25
At 31 August 2023	<u>25</u>
Net book value	
At 31 August 2023	<u>25</u>
At 31 August 2022	<u>25</u>

Principal subsidiaries

The following were subsidiary undertakings of the Trust:

Names	Company number	Registered office or principal place of business	Principal activity
Thinking Solutions for Education Limited	11463368	Park Crescent, Chatham, ME4 6NR	Educational support services
Little Thinkers Pre-School & Nursery Limited	04671163	Wymering Road, North End, Portsmouth, Hampshire, PO2 7HX	Pre-primary education

Class of shares	Holding	Included in consolidation
Ordinary	100%	Yes
Limited by guarantee	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £000	Expenditure £000	Profit/(Loss)/ Surplus/ (Deficit) for the year £000	Net assets £000
Thinking Solutions for Education Limited	617	(621)	(4)	32
Little Thinkers Pre-School & Nursery Limited	437	(412)	25	128

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Notes to the Financial Statements
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18. Debtors

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>	Trust 2023 £000	<i>Trust</i> <i>2022</i> <i>£000</i>
Due after more than one year				
Other debtors	-	-	3	8
Due within one year				
Trade debtors	240	415	262	477
Other debtors	1,487	766	1,492	771
Prepayments and accrued income	2,260	2,346	2,262	2,343
	<u>3,987</u>	<u>3,527</u>	<u>4,019</u>	<u>3,599</u>

19. Creditors: Amounts falling due within one year

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>	Trust 2023 £000	<i>Trust</i> <i>2022</i> <i>£000</i>
Other loans	174	132	174	130
Trade creditors	2,455	3,431	2,471	3,438
Other taxation and social security	1,278	1,001	1,264	990
Other creditors	2,203	1,451	2,196	1,447
Accruals and deferred income	1,456	1,541	1,445	1,475
	<u>7,566</u>	<u>7,556</u>	<u>7,550</u>	<u>7,480</u>

Accruals at 31 August 2023 include £6k (2022- £178k) in respect of the estimated back pay which may be due for term time only workers' annual leave (see also contingent liability note 29 for further details and an explanation of the uncertainty around this).

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>	Trust 2023 £000	<i>Trust</i> <i>2022</i> <i>£000</i>
Deferred income at 1 September 2022	785	198	729	198
Resources deferred during the year	935	785	935	729
Amounts released from previous periods	(785)	(198)	(729)	(198)
	<u>935</u>	<u>785</u>	<u>935</u>	<u>729</u>

The deferred income above relates to income received for trips to take place in the 2023/24 academic year of £314k (2022 - £98k), grant income received in advance of £424k (2022 - £564k) and other income received in advance of £197k (2022 - £67k).

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Notes to the Financial Statements
For the Year Ended 31 August 2023

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

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>	Trust 2023 £000	<i>Trust</i> <i>2022</i> <i>£000</i>
Other loans	232	1,250	232	1,250

Other loan balances across notes 19 and 20 total £406k (2022: £1.38m) and comprise:

An ESFA loan of £233k (2022: £349k), taken on when Plympton Academy (PLM) joined the Trust. The ESFA have issued a repayment plan with the final repayment date of August 2025.

A Salix loan of £20k (2022: £31k), which also transferred to the Trust when PLM joined. The loan is interest free and due to be fully repaid by September 2024.

A Selective Schools Expansion Fund (SSEF) loan in respect of The Rochester Grammar School (RGS). The amount loaned was £150,000 and it is repayable over 5 years at an interest rate of 1.81% per annum. The final payment is in September 2027. The amount outstanding at 31 August 2023 was £118k.

Two ESFA CIF loans, transferred to the Trust when Brixham College joined in the year. The amounts outstanding at 31 August 2023 were £25k and £10k and the loans will be fully repaid by August 2027.

The ESFA Recoverable Funding Debt of £1m, taken on by the Trust when Goodwin Academy (GWA) joined, has been written off in the year. On 23 August 2023, the Trust was informed that HM Treasury and given approval for the ESFA to write off this debt.

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Notes to the Financial Statements
For the Year Ended 31 August 2023

21. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General fund	2,335	2,140	(1,050)	1,633	-	5,058
Subsidiaries	113	726	(705)	-	-	134
Transfer in from existing academy trusts	-	2,256	-	(2,256)	-	-
	<u>2,448</u>	<u>5,122</u>	<u>(1,755)</u>	<u>(623)</u>	<u>-</u>	<u>5,192</u>
Restricted general funds						
General Annual Grant (GAG)	577	65,476	(68,805)	4,429	-	1,677
Other DfE/ESFA grants	623	15,663	(11,950)	(4,194)	-	142
Other government grants	87	3,064	(1,863)	(1,261)	-	27
Other restricted	19	1,726	(2,220)	769	-	294
Boarding school	-	193	(35)	-	-	158
Transfers in from existing academy trusts	-	(838)	-	838	-	-
Transfer in on conversion	-	(128)	-	128	-	-
Pension reserve	(6,511)	-	(1,022)	(1,578)	7,871	(1,240)
	<u>(5,205)</u>	<u>85,156</u>	<u>(85,895)</u>	<u>(869)</u>	<u>7,871</u>	<u>1,058</u>
Restricted fixed asset funds						
Fixed assets	123,892	-	(5,041)	32,186	-	151,037
Capital funds	1,781	3,858	(412)	(2,897)	-	2,330
Salix loan	(31)	-	-	11	-	(20)
Transfers in from existing academy trusts	-	23,212	-	(23,212)	-	-
Transfer in on conversion	-	4,596	-	(4,596)	-	-
	<u>125,642</u>	<u>31,666</u>	<u>(5,453)</u>	<u>1,492</u>	<u>-</u>	<u>153,347</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2023

21. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Total Restricted funds	120,437	116,822	(91,348)	623	7,871	154,405
Total funds	122,885	121,944	(93,103)	-	7,871	159,597

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

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 included the material grants detailed separately in note 5.

The other government grants fund is used to track grants provided by government departments and includes funding from Local Authorities.

Other restricted funds track income such as school trips and other non-grant restricted income.

The pension reserve deficit is a restricted fund to account for the liability arising under The Local Government Pension Scheme.

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 transfer to the restricted fixed asset fund of £1.5m represents the total capital expenditure from other non-capital funds. The balance of £2.33m on the capital fund at the end of the year represents unspent capital income.

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Notes to the Financial Statements
For the Year Ended 31 August 2023

21. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
Unrestricted funds						
General fund	1,740	1,391	(456)	(340)	-	2,335
Subsidiaries	138	916	(757)	(184)	-	113
	<u>1,878</u>	<u>2,307</u>	<u>(1,213)</u>	<u>(524)</u>	<u>-</u>	<u>2,448</u>
Restricted general funds						
General Annual Grant (GAG)	255	56,173	(55,923)	72	-	577
Other DfE/ESFA grants	219	6,585	(5,575)	(606)	-	623
Other government grants	363	1,912	(1,663)	(525)	-	87
Other restricted	146	1,149	(1,323)	47	-	19
Pension reserve	(34,374)	(4,241)	(5,218)	-	37,322	(6,511)
	<u>(33,391)</u>	<u>61,578</u>	<u>(69,702)</u>	<u>(1,012)</u>	<u>37,322</u>	<u>(5,205)</u>
Restricted fixed asset funds						
Fixed assets	106,284	16,731	(5,783)	6,660	-	123,892
Capital funds	3,901	3,010	-	(5,130)	-	1,781
Salix loan	-	(37)	-	6	-	(31)
	<u>110,185</u>	<u>19,704</u>	<u>(5,783)</u>	<u>1,536</u>	<u>-</u>	<u>125,642</u>
Total Restricted funds	<u>76,794</u>	<u>81,282</u>	<u>(75,485)</u>	<u>524</u>	<u>37,322</u>	<u>120,437</u>
Total funds	<u><u>78,672</u></u>	<u><u>83,589</u></u>	<u><u>(76,698)</u></u>	<u><u>-</u></u>	<u><u>37,322</u></u>	<u><u>122,885</u></u>

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For the Year Ended 31 August 2023

21. Statement of funds (continued)

Total funds analysis by group entity

Fund balances at 31 August 2023 were allocated as follows:

	2023	<i>2022</i>
	£000	<i>£000</i>
RGS	349	430
AFS/GOR/CDR	819	761
TPA	957	607
HGS/VIC/NHO	1,326	1,351
CRL	2,192	-
NHOP	278	223
PHI/NBR	681	702
FUR	107	-
MIS/MJS/MWI	116	177
BRI	326	-
PHS	168	244
GWA	(579)	(1,704)
PLM	226	191
MAR	(93)	42
Central services	483	617
Subsidiaries	134	113
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	7,490	3,754
Restricted fixed asset fund	153,347	125,642
Pension reserve	(1,240)	(6,511)
	<hr/>	<hr/>
Total	159,597	122,885
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit
	£000
Goodwin Academy	579
Maritime Academy	93
	<hr/> <hr/>

GWA - in previous years, the deficit included a £1m of ESFA Recoverable Funding Debt taken on by the Trust when the school joined. As disclosed in note 3, the balance was agreed to be written off by HM Treasury in August 2023.

MAR - Maritime Academy opened in September 2022. Whilst the school is expanding it is expected to set a deficit position, due to the necessary structure to establish the school.

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

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21. Statement of funds (continued)

GWA has achieved a revenue surplus of £1,125k for 2022/23, which includes the write off noted above. Excluding this exceptional item, the revenue surplus was £125k. Further surpluses are expected and have been forecast to continue which will over time reduce the cumulative deficit further.

The deficit balance at MAR will be recovered as the school grows and gains efficiencies.

Total cost analysis by group entity

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	<i>Total 2022 £000</i>
RGS	4,752	330	571	97	5,750	5,361
AFS/GOR/CDR	4,465	446	290	332	5,533	5,428
TPA	5,202	422	588	617	6,829	5,819
HGS/VIC/NHO	11,214	1,032	1,208	560	14,014	12,852
CRL	1,441	398	195	276	2,310	-
NHOP	2,142	252	213	159	2,766	2,710
PHI/NBR	2,447	289	200	238	3,174	2,934
FUR	905	163	74	118	1,260	-
MIS/MJS/MWI	2,290	332	175	210	3,007	2,784
BRI	5,143	377	561	342	6,423	-
PHS	3,037	342	351	121	3,851	3,508
GWA	4,101	280	317	181	4,879	4,591
PLM	4,825	352	540	267	5,984	3,593
MAR	865	125	341	289	1,620	-
Central services	4,785	6,575	1,855	6,740	19,955	20,849
Subsidiaries	-	-	-	707	707	757
Trust	57,614	11,715	7,479	11,254	88,062	71,186

As disclosed in note 12, the central services figure above includes additional expenditure in the year for various services provided centrally and which are not split out individually between academies.

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Notes to the Financial Statements
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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	8	-	151,030	151,038
Intangible fixed assets	-	-	7	7
Current assets	5,184	10,076	2,330	17,590
Creditors due within one year	-	(7,554)	(12)	(7,566)
Creditors due in more than one year	-	(224)	(8)	(232)
Provisions for liabilities and charges	-	(1,240)	-	(1,240)
Total	5,192	1,058	153,347	159,597

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Restricted fixed asset funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Tangible fixed assets	11	-	123,782	123,793
Intangible fixed assets	-	-	110	110
Current assets	2,513	10,005	1,781	14,299
Creditors due within one year	(76)	(7,466)	(14)	(7,556)
Creditors due in more than one year	-	(1,233)	(17)	(1,250)
Provisions for liabilities and charges	-	(6,511)	-	(6,511)
Total	2,448	(5,205)	125,642	122,885

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

	2023	<i>2022</i>
	£000	<i>£000</i>
Net income for the year (as per Statement of Financial Activities)	28,841	6,891
Adjustments for:		
Amortisation	103	12
Depreciation	4,941	5,493
Loss/(profit) on disposal of tangible fixed assets	-	(70)
Capital grants from DfE and other capital income	(3,858)	(3,010)
Interest receivable	(249)	(5)
Defined benefit pension scheme obligation inherited	1,578	4,241
Defined benefit pension scheme cost less contributions payable	718	4,599
Defined benefit pension scheme finance cost	286	605
Defined benefit pension scheme administration cost	18	14
Decrease/(increase) in stocks	52	(53)
Increase in debtors	(462)	(795)
(Decrease)/increase in creditors	(32)	2,606
Donated fixed assets	-	(273)
Fixed assets transferred in on conversion/transfers in from existing academies	(27,669)	(16,230)
Net cash provided by operating activities	4,267	<i>4,025</i>

24. Cash flows from financing activities

	Group	<i>Group</i>
	2023	<i>2022</i>
	£000	<i>£000</i>
Loans transferred in from existing academy	36	403
Repayments of borrowing	(160)	(23)
New loans	150	-
Loan written off	(1,000)	-
Net cash (used in)/provided by financing activities	(974)	<i>380</i>

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Notes to the Financial Statements
For the Year Ended 31 August 2023

25. Cash flows from investing activities

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>
Dividends, interest and rents from investments	249	5
Purchase of tangible fixed assets	(4,517)	(6,671)
Capital grants from DfE Group	3,858	3,010
Net cash used in investing activities	(410)	(3,656)

26. Analysis of cash and cash equivalents

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>
Cash in hand and at bank	13,602	10,719

27. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash at bank and in hand	10,719	2,883	-	13,602
Debt due within 1 year	(132)	160	(202)	(174)
Debt due after 1 year	(1,250)	-	1,018	(232)
	9,337	3,043	816	13,196

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28. Transfer of school on conversion to academy status

On 1 November 2022 Furzeham Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Thinking Schools Academy Trust from Torbay Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated Statement of Financial Activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Leasehold land and buildings	-	-	4,596	4,596
Current assets				
Cash - representing budget surplus on LA funds	179	-	-	179
Non-current liabilities				
LGPS pension liability	-	(128)	-	(128)
Net assets/(liabilities)	179	(128)	4,596	4,647

29. Contingent liabilities

The Trust has exposure to the following separate contingent liabilities:

- 1) The Trust has a contingent liability in respect of term time only workers' annual leave at its Kent-based academies. In 2019/20 certain trades unions began looking at potentially making claims against Kent based education employers regarding the calculation of term time only workers' annual leave, following settlements they have made in other local authorities for their members regarding changing the calculation and back pay.

Whilst the Trust is free to set its own pay rates, in common with most trusts it closely follows the local authority scales. The Kent County Council (KCC) 'Kent Scheme' Pay Scales were amended from 1 April 2020 following a change to the way leave for term time only staff is calculated and the Trust has followed by altering its own approach. KCC has received representations that there is a wish to make a settlement on back pay as the unions believe their members have been historically underpaid.

The unions are attempting to bring the issue to their members and encouraging them to make a claim in the Employment Tribunal. If this is successful the Trust may be liable.

Whilst many Kent-based academies have already reached a settlement on this matter, in Medway, where the Trust's Kent-based academies are located, there is a collective resistance against entering into a settlement, and thus the Trust has adopted this common approach.

At the date of approval of these financial statements it is unclear (i) whether a back settlement liability may exist, (ii) if it does how many years back this may go, and (iii) whether the liability share of the liability would sit with KCC.

An accrual for estimated back pay has been included in note 20 Creditors: amounts falling due within one year.

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Notes to the Financial Statements
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30. 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, which is managed by Kent County Council, Hampshire County Council, Devon County Council and Essex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £1,304,000 were payable to the schemes at 31 August 2023 (2022 - £1,002,000) 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 specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

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

The employer's pension costs paid to TPS in the year amounted to £6,273,000 (2022 - £5,717,000).

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 Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group has set out above the information available on the scheme.

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Notes to the Financial Statements
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30. 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 2023 was £4,558,000 (2022 - £3,209,000), of which employer's contributions totalled £3,526,000 (2022 - £2,472,000) and employees' contributions totalled £1,032,000 (2022 - £737,000). The agreed contribution rates for future years have been set until March 2026.

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

Kent County Council

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	20.7	21.0
Females	23.2	23.5
<i>Retiring in 20 years</i>		
Males	22.0	22.3
Females	24.6	24.9

Hampshire County Council

	2023	2022
	%	%
Rate of increase in salaries	4.00	3.70
Rate of increase for pensions in payment/inflation	3.00	2.70
Discount rate for scheme liabilities	5.20	4.10

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Notes to the Financial Statements
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30. Pension commitments (continued)

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

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	22.1	22.9
Females	24.7	25.4
<i>Retiring in 20 years</i>		
Males	22.6	24.7
Females	25.7	27.1
Devon County Council		
	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25

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

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	21.4	21.7
Females	22.6	22.9
<i>Retiring in 20 years</i>		
Males	22.7	23.0
Females	24.0	24.3
Essex County Council		
	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.90	-
Rate of increase for pensions in payment/inflation	2.90	-
Discount rate for scheme liabilities	5.35	-

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Notes to the Financial Statements
For the Year Ended 31 August 2023

30. Pension commitments (continued)

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

	2023	<i>2022</i>
	Years	<i>Years</i>
<i>Retiring today</i>		
Males	20.7	-
Females	23.2	-
<i>Retiring in 20 years</i>		
Males	22.0	-
Females	24.6	-

Sensitivity analysis

	2023	<i>2022</i>
	£000	<i>£000</i>
Discount rate +0.1%	(1,088)	<i>(816)</i>
Discount rate -0.1%	1,102	<i>837</i>
Mortality assumption - 1 year increase	1,689	<i>990</i>
Mortality assumption - 1 year decrease	(1,642)	<i>(961)</i>
CPI rate +0.1%	790	<i>785</i>
CPI rate -0.1%	(766)	<i>(765)</i>

Share of scheme assets

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

	At 31 August	<i>At 31 August</i>
	2023	<i>2022</i>
	£000	<i>£000</i>
Equities	32,277	<i>25,350</i>
Gilts	2,195	<i>2,026</i>
Corporate bonds	8,315	<i>5,254</i>
Property	4,610	<i>4,251</i>
Cash and other liquid assets	934	<i>585</i>
Other	5,582	<i>3,695</i>
Total market value of assets	53,913	<i>41,161</i>

The actual return on scheme assets was £(137,000) (2022 - £(1,487,000)).

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Notes to the Financial Statements
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30. Pension commitments (continued)

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

	2023	2022
	£000	£000
Current service cost	(4,244)	(7,071)
Interest income	2,049	669
Interest cost	(2,335)	(1,274)
Administrative expenses	(18)	(14)
Transfer on conversion	(128)	-
Transfer in of existing academy trusts	(1,450)	(4,241)
Total amount recognised in the Consolidated Statement of Financial Activities	(6,126)	(11,931)

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

	2023	2022
	£000	£000
At 1 September	47,672	70,861
Conversion of academy trusts	461	-
Transferred in on existing academies joining the Trust	9,232	8,070
Current service cost	4,244	7,071
Interest cost	2,335	1,274
Employee contributions	1,032	737
Actuarial gains	(8,776)	(39,478)
Benefits paid	(1,047)	(863)
At 31 August	55,153	47,672

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

	2023	2022
	£000	£000
At 1 September	41,161	36,487
Conversion of academy trusts	333	-
Transferred in on existing academies joining the Trust	7,782	3,829
Interest income	2,049	669
Actuarial losses	(905)	(2,156)
Employer contributions	3,526	2,472
Employee contributions	1,032	737
Benefits paid	(1,047)	(863)
Administrative expenses	(18)	(14)
At 31 August	53,913	41,161

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Notes to the Financial Statements
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31. Operating lease commitments

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

	Group 2023 £000	<i>Group</i> <i>2022</i> <i>£000</i>	Trust 2023 £000	<i>Trust</i> <i>2022</i> <i>£000</i>
Not later than 1 year	231	191	222	182
Later than 1 year and not later than 5 years	286	115	286	115
	<u>517</u>	<u>306</u>	<u>508</u>	<u>297</u>

32. Members' liability

Each member of the Academy 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.

33. Related party transactions

Owing to the nature of the the Trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a director has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the financial year:

Expenditure Related Party Transactions

The Trust leases The Rochester Grammar School land and buildings from a related charity, Rochester Grammar School for Girls Charity, registration number 307839, at an annual peppercorn rent.

During the year the son of J. Murphy, member of key management, was employed by the Multi-Academy Trust. J. Murphy had no involvement in his appointment. The Board of Trustees are comfortable that his salary provided value for money and was not at a preferential rate.

During the year the daughter of A. Gage, member of key management, was employed by Thinking Solutions for Education, a subsidiary of the Thinking Schools Academy Trust. A. Gage had no involvement in her appointment. The Board of Trustees are comfortable that her salary provided value for money and was not at a preferential rate.

Income Related Party Transactions

During the year the Trust provided staff support services to Thinking Solutions for Education Limited (TSfE), a subsidiary undertaking of the Trust, at a charge of £64k (2022 - £121k). TSfE also made gift aid donations of £Nil (2022 - £Nil) to the Trust. At 31 August 2023, TSfE owed the Trust £8k (2022 - £13k) in respect of a loan, which is being repaid in equal instalments over a 5 year period. and is shown in debtors and debtors greater than one year. Interest is paid annually to the Trust at a rate of 6% above the the Bank of England base rate. At 31 August 2023 TSfE additionally owed the Trust £59k (2022: £104k) on trading accounts.

During the year, Little Thinkers Pre-School & Nursery Limited, a subsidiary undertaking of the Trust, paid the Trust £19k (2022 - £19k) in rent and service charges.

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34. Post balance sheet events

On 1 September 2023 the Trust expanded further when it welcomed the following existing academies:

Curledge Street Academy, Paignton Academy and Kings Ash Academy - all based in Paignton, Devon, and which transferred from Bay Education Trust, company number 09299975.

The Lodestar Academy, an alternative provision academy in Torquay (previously known as The Burton Academy) transferred from a multi-academy trust, Catch22 Multi-Academies Trust, company number 08299181.

35. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. During the year ended 31 August 2023 the Trust received £123k (2022 - £95k) and disbursed £48k (2022 - £39k) from the fund. An amount of £245k (2022 - £161k) is included in other creditors relating to undistributed funds.

36. Net movement in funds of parent company

As permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP, the Statement of Financial Activities of the parent company, The Thinking Schools Academy Trust, is not presented as part of these accounts. The parent company's net movement in all funds for the financial year was an increase of £37.14m (2022 - increase of £44.24m).

The movement in total funds for both years is influenced by transactions that do not relate to operating revenue income funds which relate to the day-to-day running of the Trust's academies, for example movement on the LGPS deficit and assets and liabilities transferred into the Trust for joining academies.

The parent company's revenue income funds increased by £847k during 2022/23 once the impact of transferred in revenue balances is stripped out, which compares to an increase of £826k in the prior year.

37. Controlling party

Each academy is run by their respective management teams on a day to day basis. Strategic decisions for the Trust are made by the Directors with support from the Regional Governing Bodies. There is no ultimate controlling party.

The Thinking Schools Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2023

38. Transfer of existing academies into the Trust

Brixham College

	Value reported by transferring trust £000	Transfer in recognised £000
Tangible fixed assets		
Long-term leasehold property	9,714	9,714
Furniture and equipment	41	41
Computer equipment	32	32
Motor vehicles	23	23
Current assets		
Debtors due within one year	117	117
Cash at bank and in hand	518	518
Liabilities		
Creditors due within one year	(293)	(293)
Creditors due after one year	(3)	(3)
Pensions		
Pensions - pension scheme liabilities	(1,126)	(1,126)
Net assets	<u>9,023</u>	<u>9,023</u>

Colchester Royal Grammar School

	Value reported by transferring trust £000	Transfer in recognised £000
Tangible fixed assets		
Long-term leasehold property	12,486	12,486
Assets under construction	564	564
Furniture and equipment	116	116
Computer equipment	95	95
Current assets		
Stocks	6	6
Debtors due within one year	328	328
Cash at bank and in hand	2,855	2,855
Liabilities		
Creditors due within one year	(697)	(697)
Pensions		
Pensions - pension scheme liabilities	(324)	(324)
Net assets	<u>15,429</u>	<u>15,429</u>

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Notes to the Financial Statements
For the Year Ended 31 August 2023

39. Academy trust boarding trading account

	2023	2023
	£000	£000
Income		
Other income		
Sale of goods and services	1	
Transfer in from existing academy trust	192	
	<hr/>	
Total other income	193	
Total income		193
Expenditure		
Direct expenditure		
Goods and services	7	
Other direct expenditure	1	
	<hr/>	
Total direct expenditure	8	
Other expenditure		
Staff costs	48	
Utilities	21	
Building maintenance	4	
Other indirect costs	2	
	<hr/>	
Total other expenditure	75	
Total expenditure		<hr/> 83
Surplus from all sources		110
Boarding school balances at 1 September 2022		<hr/> -
Boarding school balances at 31 August 2023		<hr/> <hr/> 110