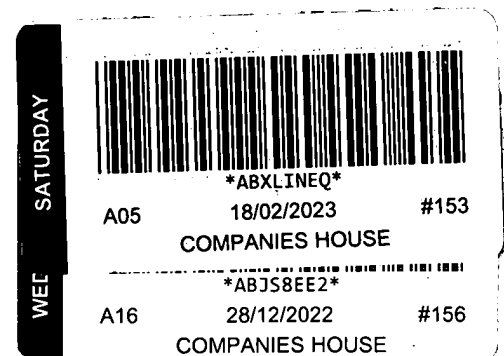


The Thinking Schools Academy Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the Year Ended 31 August 2022



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 2022

Members	Mr. P. Martin Mrs. S. Earle Mrs. D. Reed Mrs. J. Smith Mr. G. Lall
Directors	Mr. P. Martin, Chairman ^{1 2} Mr. M.R. Bailey ¹ Mr. S. Gardner, Chief Executive and Accounting Officer ¹ Mr. D. Morrison ² Mr. G. Newman ² Mrs. L. Randall Mr. S. Geary Mr I. Mason Mr. D. Lycett Ms. J. Spurgeon (appointed 20/10/2021) Mrs. K. Bettey (appointed 30/3/2022)

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 Mr A. Gage, Director of Education (Chatham) Mr. G. Bassan, Director of Education (Kent) Mrs. J Murphy, Director of Education (Strood) Miss N. Sheppard, Director of Education (Portsmouth) Mr. D. High, Director of Service Delivery and Performance
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 2022

The Directors present their annual report and auditors' report of The Thinking Schools Academy Trust ("the Trust") for the year ended 31 August 2022.

At the time of writing this annual report the Trust now operates twelve primary and nine secondary academies in Medway, Kent, Portsmouth, Plymouth and Torbay Local Authorities. These figures include three academies which joined post 31 August 2022. Its academies have a combined pupil capacity of 10,814 and had a roll of 12,464 in September 2022.

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;
- 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 Junior School;
- Moorings Way Infant School;
- Penhale Infant School;
- Meon Infant School;
- Goodwin Academy;
- Plymouth High School from Girls
- Plympton Academy (from 1 Jan 2022)

Since the year Brixham College and Maritime Academy (both 1 September 2022) and Furzeham Primary School (1 November 2022) have joined the Trust.

All schools share a commitment to cognitive education and Thinking School status. Throughout the year ended 31 August 2022 the Trust's principal object and activity has therefore been to manage the schools within the Trust.

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Directors' Report
For the year ended 31 August 2022

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);
- 4 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 school. 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 Assessment 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 arrangements) of the senior executives;

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Directors' Report
For the year ended 31 August 2022

- 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).

Risk management

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.

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.

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Directors' Report
For the year ended 31 August 2022

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>
17	17

Percentage of time spent on facility time:

<u>Percentage of time</u>	<u>Number of employees</u>
0%	17
1%-50%	
51%-99%	-
100%	-

Percentage of pay bill spent on facility time:

Total cost of facility time	£0
Total pay bill	£0
Percentage of the total pay bill spent on facility time	0

Paid trade union activities:

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

The Companies (Miscellaneous Reporting) Regulations 2018 introduce 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
- 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

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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.

We are committed regularly to celebrating successes 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.

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 meet 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.

They 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.

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 the physical environment, 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, 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.

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Directors' Report
For the year ended 31 August 2022

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 provide value for money for the funds expended;
- 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.

Public benefit

All Academies within the Trust are state funded and strive to promote and support the advancement of education within the Medway and Portsmouth local authority areas.

The Trust has a letting 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

Composition of the Trust:

Plympton Academy, near Plymouth, joined our Trust on 1 January 2022 to become our second school in the South West.

Brixham College, in Torbay, joined our Trust on 1 September 2022. Additionally, one of Brixham's main feeder schools, Furzeham Primary School, has decided to join us on 1 November 2022.

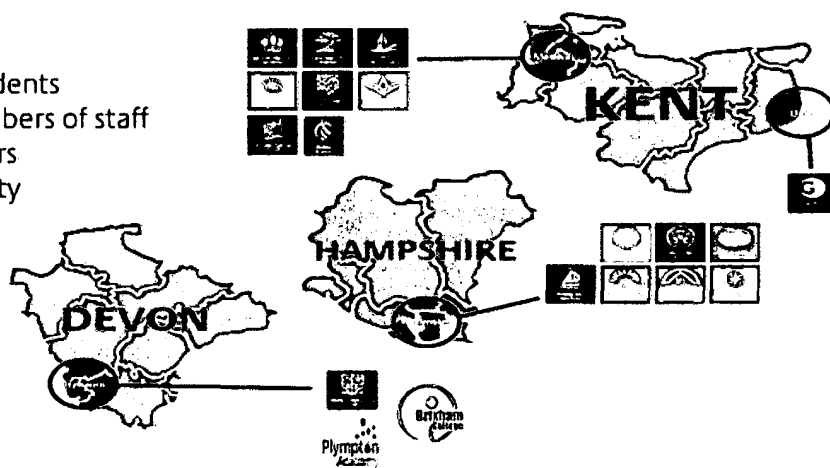
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Directors' Report
For the year ended 31 August 2022

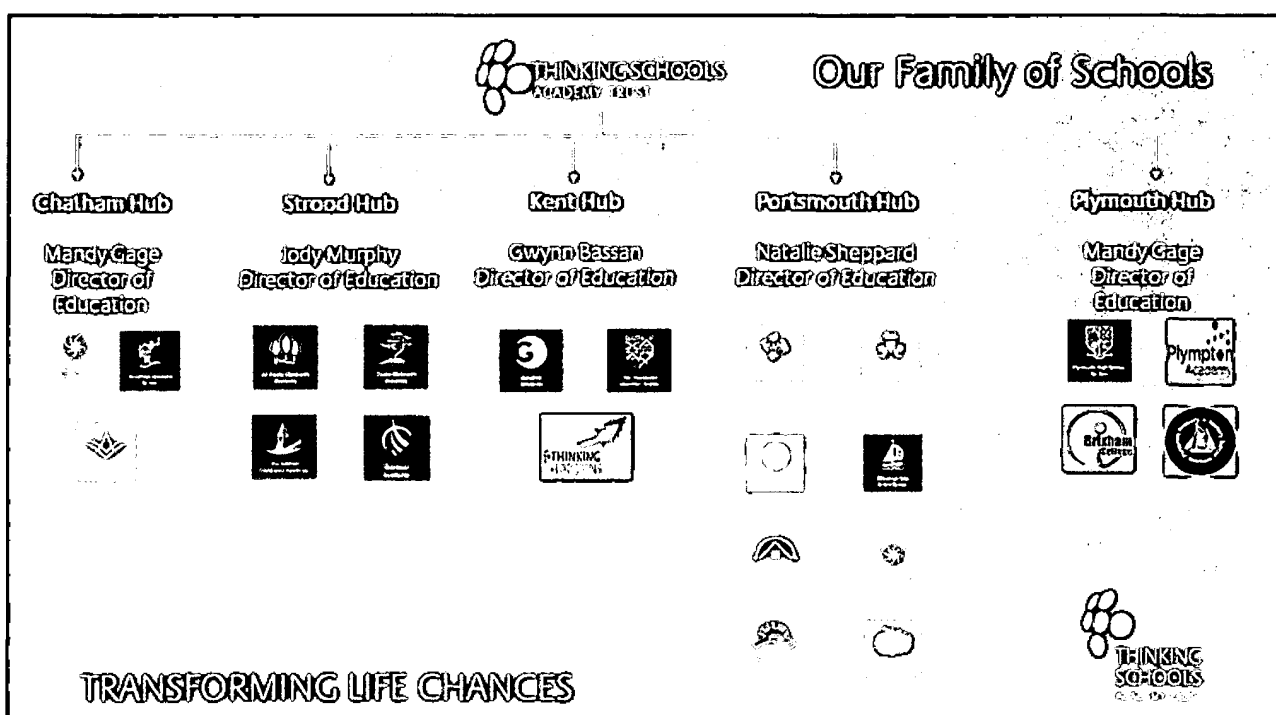
The charts below sets out high level details of our Trust, our Hub structure and the schools within each Hub.

Our Trust

- 20 schools
- 12,500 students
- 1,800 members of staff
- 700 teachers
- £80m charity



TRANSFORMING LIFE CHANCES



The Thinking Schools Academy Trust
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Directors' Report
For the year ended 31 August 2022

Outcomes and Progress:

This year we returned to formal public examinations and assessments after the interregnum caused by the Covid 19 pandemic. The KS1, KS2, KS4 and KS5 results are summarised in the charts below.

KS1:

	Reading EXS+	Writing EXS+	Maths EXS+
National 2019	75%	69%	76%
FFT 2022	68%	59%	70%
Trust	67%	55%	69%
Compared to National (2019)	-8%	-14%	-7%
Compared to FFT 2022	-1%	-4%	-1%

Our results reflect an expected national decline due to Covid. Our schools need to support students in Y3 to make accelerated progress especially in Reading and Maths.

KS2:

Attainment:

	Reading % EXP+	Writing % EXP+	Maths % EXP+	Combined % EXP+
National 2022	74%	69%	71%	59%
Trust 2022	73%	73%	70%	59%
Difference to National	-1%	+4%	-1%	0%

Provisional Progress;

School	Reading	Writing	Maths
AFS	+0.4	+2.2	+1.2
CCA	-2.9	-1.1	-1.7
GCA	-1.7	+0.5	-0.5
MJS	+1.2	+0.3	-0.1
NHM	-2.1	-1.7	-2.2
NHP	-0.3	+1.0	+1.5
NJS	-1.7	+0.9	-2.5
Trust	-1.2	0.1	-1.0

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As a Trust we are at or about national for attainment and progress. Given that Junior Schools are -1 for progress nationally and over half of our children are in Junior schools this suggests that our progress would be above national for similar schools.

KS4:

TSAT Average	Trust 2019 (exams)	Trust 2021 (TAGs)	Trust 2022	Estimated National 2022
Number of students	1010	872	1096	
7+	28%	33%	30%	26%
5+ Strong pass (all qualifications)	64%	70%	65%	
4+ Standard pass (all qualifications)	77%	83%	76%	73%
Basics (Eng/Ma 5+) Strong pass	55%	63%	58%	52%
Basics (Eng/Ma 4+) Standard pass	73%	78%	72%	71%
5 A*-C with En and Ma (4+ in both En and Ma)	63%	65%	59%	
5 A*-C with En and Ma (5+ in both En and Ma)	53%	54%	51%	

At this point we only have provisional progress scores which we know will not be accurate given the changing grade boundaries for 2022 compared to the 2019 model used – therefore, we are unable to comment in depth on this at this time. However, it is clear that students in our selective schools have made better progress than students in non-selective schools. It also appears that Boys and students from a deprived background have also made significantly weaker progress this year.

KS5:

A Level:

	Holcombe Grammar School	Plymouth High School for Girls	Plympton Academy	Victory Academy	Brixham College
Number of students	153	79	40	53	55
% KS5 – A2 A*/A	24%	31%	20%	4%	16%
% KS5 –A2 A*-B	52%	65%	45%	9%	37%
% KS5 – A2 A*-C	80%	86%	74%	33%	61%
% KS5 – A2 A*-E	99%	100%	100%	92%	95%

International Baccalaureate – Rochester Grammar School:

Number of students	96
% KS5 – IB 6-7HL	58%
% KS5 – IB 5-7 HL	90%
%KS5 – IB 1-7HL	100%

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For the year ended 31 August 2022

Ofsted inspections:

During 2021/22 the following Ofsted inspections took place in our Trust:

- Moorings Way Infant School – Section 8 – Good
- Meon Junior School – Section 8 – Good
- New Horizons Children's Academy, Medway – Section 8 – Good
- The Portsmouth Academy – Section 8 – Good

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

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.

Thinking about our Thinking

School	Phase	Accredited?	Level	Date
All Faiths Children's Academy	Primary	Accredited	L2	20-March-22
Brixham College	Secondary	No		
Cedar Children's Academy	Primary	Accredited	L2	4-March-22
Goodwin Academy	Secondary	Accredited	L1	April-22
Holcombe Grammar School	Secondary	Accredited	L1	30-Sep-19
Maritime Academy	Secondary	No		
Meon Infant School	Primary	No		
Meon Junior School	Primary	Accredited	L1	Nov 21
Moorings Way Infant School	Primary	No		
New Horizons Children's Academy	Primary	Accredited	L2	June 22
New Horizons Primary School	Primary	Accredited	L1	2019
Newbridge Junior School	Primary	Accredited	L2	31-Oct-19
Penhale Infant School	Primary	No		
Plymouth High School for Girls	Secondary	No		
The Gordon Children's Academy	Primary	Re-Accredited	L1	11-Feb-22
The Portsmouth Academy	Secondary	Accredited	L2	04-Feb-20
The Rochester Grammar School	Secondary	Accredited	L2	July 2022
The Victory Academy	Secondary	Accredited	L2	July 2022

TRANSFORMING LIFE CHANCES



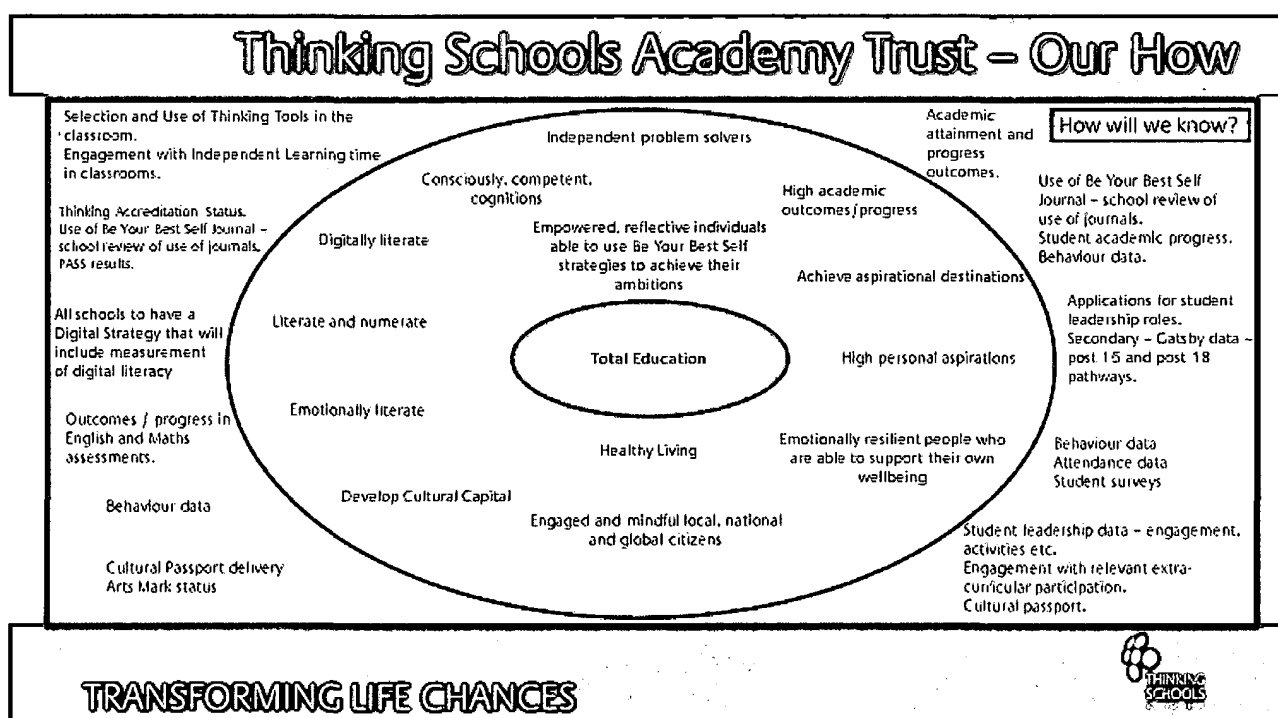
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Directors' Report For the year ended 31 August 2022

Total Education:

As outlined in our last report we have moved to focus on celebrating the breadth of the provision in our schools to support the development of our students – we refer to this as Total Education. During 2022-23 we plan to report on these areas to governors:



Celebratory Achievements:

As ever there has been a remarkable amount of amazing activities taking place in our Trust over the last academic year. We capture many of these activities in "Our Trust" magazine which comes out three times per year and can be accessed in full here:

- <https://www.tsatrust.org.uk/wp-content/uploads/2021/09/Our-Trust-Summer-2021-Edition-16-web-lq.pdf>
- <https://www.tsatrust.org.uk/wp-content/uploads/2021/12/Our-Trust-December-2021-Edition-17.pdf>
- <https://www.tsatrust.org.uk/wp-content/uploads/2022/04/Our-Trust-April-2022-v1r3-web-1.pdf>

This year we launched our Trust wide Times Tables Rockstar competitions. In November, all our schools took part, and it was great to see children from across the Trust engaging in this fantastic competition, developing their arithmetic skills, and representing their schools. Over 1,666 children from 92 classes across the Trust took part, and an incredible 1,287,318 times tables questions were answered! There was good natured competition across the Trust "The competition was really good because when other children start beating you, you have to keep improving your score." – Folu

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Directors' Report
For the year ended 31 August 2022



Our students are very mindful of their place in the world and lead on activities in our schools to ensure that we are all doing what we can to protect the environment. On the 20 September, The Portsmouth Academy welcomed Nellie. The giant aluminium fish was installed at the school to encourage students and staff to put more effort into recycling their plastic bottles and aluminium cans. Altogether, the school recycled 1,137 bottles and 807 cans, a fantastic effort! The Portsmouth Academy was also awarded a BREEAM 'Excellent' rating for its new building extension, making it one of Portsmouth's most sustainable new buildings. On Friday 5th November, Plymouth High School for Girls students went a step further, conducting a silent protest on the school grounds with a message of 'Enough Talking, Time for Action' in support of the COP26 Youth Day. In Medway, students at Gordon Children's Academy participated in the Medway Walk a Mile and had their efforts recognised with two prizes from the Council. We are pleased to see our students taking a leading role on important issues and empowering them to make a difference.

As a Trust we look to give our students as many opportunities as possible. Plymouth High School for Girl's "Team Hummingbird" is a great example of this competing at the F24 International Finals at the iconic Goodwood Circuit. It was a special day to see the hard work of everyone involved in Hummingbird come to life. The day encapsulated what the team is about: everyone using their strengths and teamwork to create something they are all proud of. As a result, the team achieved 11th position in the final overall, making them the 11th best kit car in the country and number 1 for the Southwest – a fantastic achievement.



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Directors' Report
For the year ended 31 August 2022

In October, we came together as a Trust to celebrate Black History Month: a month of dedicated recognition to Black heritage and movements throughout history. Due to last year's huge success, we decided to bring back the BHM2021 Art Competition. This year's theme of Black History Month was "Proud to Be", which drew focus around identity, diversity and inclusion. Over the weeks of October, students opened up about what they are proud of, from their communities, families, and upbringing. It was evident our students were proud of what they stand for, and we saw this passion for pride and voice come through in our Trust-wide Art competition. The competition was a huge success this year, with over 170 entries from schools across each Hub submitting entries. We saw amazing role models highlighted, such as history's Rose Parks and present-day Marcus Rashford highlighted as heroes. We also saw students express their struggles around identity and express them through painting, dance videos and poetry.

PROUD TO BE

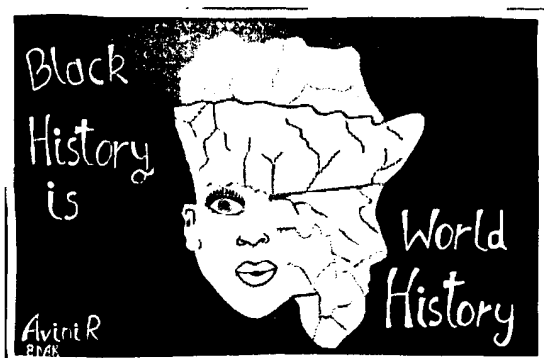
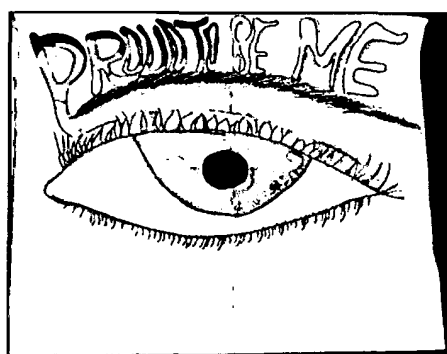
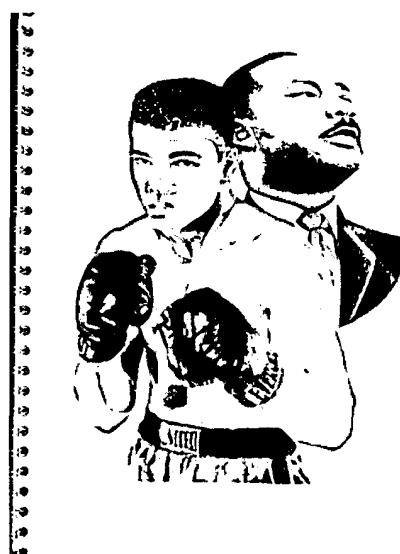
PEOPLE like me
 ARE helpful and amazing,
 ROSA Parks was courageous and stood
 UP for her rights, she
 DIDN'T move an inch because she was desperate for a change.

CHARITY begins at home, is what she was taught.
 LOVE and respect are what we must show,

BECAUSE it is important to
 LET kindness overflow!

MANY marvellous stories
 HAVE been told to remember our Black History.

Rosa Parks



The Thinking Schools Academy Trust
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Directors' Report
For the year ended 31 August 2022

As a Trust we believe in the holistic development of our students, and all our schools are working towards Artmark status. The Victory Academy is leading the way in this area and is well known and celebrated for its creative strengths: as a Platinum Artsmark School, the Academy is committed to immersing their students in the Arts and transforming the life chances of its students with a plethora of creative opportunities and activities. Adding to its impressive list of creative achievements, The Victory Academy has this year helped 196 of its Year 9 students achieve their Bronze Arts Award!



As a Trust we seek to support all our students and we came together to celebrate LGBTQ+ History Month. From handmade badges to Equali-tea's, the Portsmouth Hub planned some fantastic opportunities for students to learn and understand what makes us different, and that the way we love is not always the same. At Plymouth High School, the LGBTQ+ club organised a lunchtime quiz to raise money for the charity, 'Just Like Us'. Holcombe Grammar students host their very own LGBTQ+ debate society. Ryan and Timi (Yr 11) led a very thought-provoking discussion with their peers and addressed concerns and initiatives on how they can support LGBTQ+ communities now and in the future.



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Directors' Report

For the year ended 31 August 2022

Central success 2021/22 and Plans 2022/23

THINKING FACILITIES

Achievements in 21/22

- Continued to assist in managing the Coronavirus response from a facilities and H&S perspective. Provided risk assessments, additional control measures and communication to Headteachers.
- Worked with Thinking Technology and others to deliver multiple projects across all school sites, including significant Capital works (e.g. HGS Hall, TPA Windows, PHSG refurbishment); Pot 4 refurbishment (HNP Painting, RGS Flooring, PHS Room refurbishment) and in-house maintenance (Plympton painting, NHP furniture installation, HGS painting).
- Worked at pace to develop an Alternative Provision unit at The Portsmouth Academy in conjunction with Portsmouth City Council (PCC) delivered for opening Sept 2022, in under 8 weeks.
- Supported the opening of the Maritime Academy at a separate site.

Plans for 22/23

- Continue to work to establish a hub in the South West and complete on-boarding of new schools as well as consistent approach with those in the region.
- Develop a Trust sustainability policy and vision to provide a framework for the Trust to achieve net-zero. To include decarbonisation plans for the majority of sites within the Trust estate.
- Work with all stakeholders to establish a programme of energy efficient projects and communications throughout the Trust, to incorporate capital works; maintenance programmes; use of school buildings and messages to staff and students.

THINKING FITNESS

Achievements in 21/22

- Opening of Plympton Academy Thinking Fitness.
- Holcombe membership numbers reached a record high.
- Lettings income increased.

Plans for 22/23

- Open Thinking Fitness Gym at Rochester Grammar School.
- Re-launch and rebrand of Thinking Fitness in Brixham College.
- Embed a new team structure and work on creating models that from 23/24 could be used beyond TSAT schools.

THINKING FINANCIAL

Achievements in 21/22

- Successful rollout of online ordering portal to schools in the South and South East.
- Continued external contracts being agreed to provide finance function management support.

Plans for 22/23

- Rollout of online ordering portal to schools in the South West.
- Further develop reporting across the Trust, to ensure finance data is manageable and approachable for key stakeholders.

THINKING TECHNOLOGY

Achievements in 21/22

- Reconfiguration of over 1,600 DfE Devices.
- Think Ahead - As part of the Trust's Professional Growth project a new web-based application (Weekly10) had been identified to improve engagement and to support employees and line managers to identify and monitor objectives throughout the academic year.
- Development of primary cloud learning platform.
- New broadband circuits to support the growth of TSN service and the forthcoming 1:1 device scheme.
- IT Audit and Cyber Essentials certification.
- Continuation of the technology investment programme to provide a consistent and reliable end user experience when using IT in the Trust.

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Plans for 22/23

- Continued review of 1:1 scheme and expansion of the scheme for additional cohorts/schools with a clear understanding of timeline of implementation.
- Review of 1st phase of data retention project and implementation of the 2nd phase of the data retention project (Deletion of emails older than 18 months, with solution to exclude certain emails using tags/folders).
- Procurement and implementation of new hardware to upgrade TSN secondary data centre.
- Deliver a secure external file sharing solution within Office365 to reduce data breaches that occur when sharing files with external recipients using non-approved methods.
- Launch Self-Service-Portal (SSP) to all users.
- Establish TSN services within Brixham College and Furzeham Primary School (subject to funding), to provide colleagues and pupils with access the Trust's IT systems and services to enable improved communication and collaboration across the hub and wider Trust.

THINKING PERSONNEL

Achievements in 20/21

- Implementation of the new support staff pay structure.
- Development of the Trust recognition scheme to launch in 22/23.
- Development of the Wellbeing Strategy Group.
- Reviewed all necessary HR policies to ensure regulatory compliance.
- Development of a menopause policy and training to be launched at the start of 22/23.
- Development of a line manager essential training session to launch at the start of 22/23.

Plans for 21/22

- Embed the work of the staff wellbeing strategy group across the Trust with a focus on Staff mental health, wellbeing, recruitment & retention and equality and diversity.
- Review all Trust policies to ensure that they support the overall strategy and individual working groups. Ensure policies provide consistency and transparency for employees and managers, helping to enhance wellbeing.
- Embed a framework to enable the Trust to learn lessons together with HR to identify opportunities to minimise risk to staff and pupils.
- Embed an insights focused data driven HR service - use HR data effectively to inform decisions, identify risk and action.

THINKING CREATIVE

Achievements in 21/22

- Successful launch of new school websites.
- Launched 6 successful #WEAREONE events with 100% school participation.
- Improved outward communications with local press in Kent, Portsmouth and Plymouth regions. Schools have gained greater exposure in the wider communities they serve.
- Highly successful rebrand completed for Penbridge and Maritime.
- New team structure implemented to improve customer journey.
- Each region is now supported by a School Communication Officer.
- Plympton Academy and Brixham College on boarded with marketing and design support.
- Streamlined design work flow with schools to be delivered on a phased plan.
- Overall Thinking Creative relationship with schools has improved..

Plans for 22/23

- Standardised frameworks set for school achievements and high-level events.
- Rebrand of M3 schools to become Meon Way Federation.
- Launch of Trust website.
- Brand launch of Trust Recognition scheme.
- Deliver 8 #WEAREONE Events to schools.

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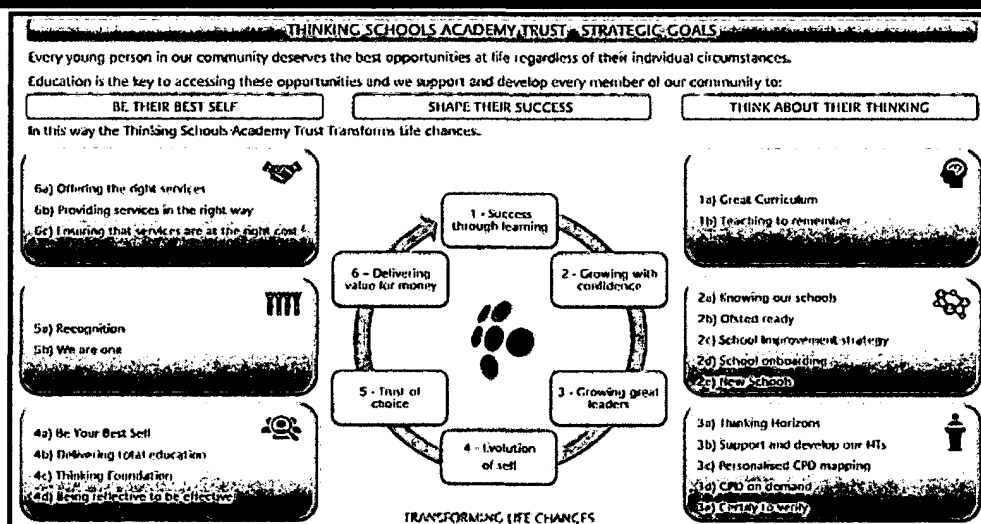
Directors' Report For the year ended 31 August 2022

- Team growth and embedding of communications officer support in Plymouth.
- Development of school and regional marketing strategies.

Strategic planning 2022/23:

The Trust continues its improvement through focus on consistent key areas, note that this year we have added delivering value for money as an additional key area, therefore focussing on six key pillars as set out in the diagrams below:

Trust Improvement Plan 2022/23



TRANSFORMING LIFE CHANCES

Review and Approve



SUCCESS THROUGH LEARNING

Area	Our Trust
1a) Great curriculums	<ul style="list-style-type: none"> i. Single central network – pilot creation of Science area resourcing + common assessment – act as template for following subjects. Agree TLR for Chair who will be responsible for QA and uploading ii. Use excess capacity at Maritime to create agreed resources in English / Maths / Science / Hums iii. English - resources created as above for upload in 23-24 iv. Maths – resources created as above for upload in 23-24 v. Comp Sci / PE – agree common areas of delivery / resourcing – begin preparing resources for these areas ready for upload in 23-24 vi. Other CLs to identify areas for curriculum alignment in KS3 – this will lead to “wheel” recourse creation for single central network in 23-24 vii. Other CLs to develop a timeline for potential curriculum alignment at KS4, from Sept 24 creating resources for most common KS4 curriculum viii. Primary Maths – agreed Maths curriculum in place with common assessments, full roll out for use in 23-24 – will act as the pilot / template for single network structure / upload ix. Respond to new KS2 attainment and progress measures. Implement Insight to ensure consistency and the ability to pull data to MAT level x. Develop use of knowledge banks to support development of knowledge acquisition xi. Review/ pilot Secondary KS3 assessment framework xii. EYFS – Launch Reception agreed baseline assessment – Insight

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Directors' Report
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	<ul style="list-style-type: none"> xiii. Little thinkers – roll out according to timeline – xiv. Each school to have their own digital roadmap that addresses the 4 Why's. Introduce digital auditing that allows regular whole Trust analysis xv. Promote common assessments in core secondary subjects and KS1 and KS2 foundation subjects where possible – DoEs / HTs – through subject leaders. xvi. Review 16-19 curriculum and response to T levels – Sixth Form Leader group. xvii. Primary foundation subject development and teams – achieve parity across the Trust
1a) teaching to remember	<ul style="list-style-type: none"> i. Embed TT Rockstars – schools + competitions ii. Embed use of Carousel to support knowledge acquisition/ retrieval in Secondary Schools) iii. Review use of Carousel in Primary Schools to support knowledge acquisition iv. Embed the Securing the Curriculum Manual initiatives v. Ihasco videos on Memory vi. Develop Primary memory agenda linked to Securing the Curriculum Manual (with GB) vii. TPA 1-1 digital evolution viii. Embed knowledge bank school and Trust quizzes

GROWING WITH CONFIDENCE

Area	Our Trust
2a) knowing our schools	<ul style="list-style-type: none"> i. QA knowledge banks as part of peer review ii. Develop QA teams for each of the specialist deep dives iii. To continue to build Maritime - successful pupil and staff recruitment. Transition into new build iv. To build an identity for the SW Hub promoting interschool working v. Evaluate impact of new MIS at Maritime and if successful proceed with tender/rollout to other schools within the Trust vi. Trust Data Manager to work with schools to enhance data capture at Trust level, use of data and support best practice and consistency vii. Develop the Cost Per Pupil reporting and review processes viii. Induct/support/embed new 'Business Leads' and support staff transferred to Central from onboarded schools into Service Delivery Team ix. School Heatmaps reported to AAB's x. To develop Trust wide pupil voice opportunities
2b) Ofsted ready	<ul style="list-style-type: none"> i. GOR – G / NHM – G / RGS – O / MIS – G / GA – G / NJS – G to O / PEN – G / VIC – G / Prepare for Trust Inspection
2c) School Improvement Strategy	<ul style="list-style-type: none"> i. Develop Leading Practitioner model and directory ii. Develop TCT model iii. Continue to develop expertise strategy around AP iv. Establish Trust Improvement Team that can provide support as is needed v. PD as part of QA offer vi. Leadership of EYFS QA vii. Leadership of SEND QA viii. Environment/ sustainable Trust wide strategy developed
2d) School onboarding	<ul style="list-style-type: none"> i. Creating effective on-boarding protocols and timelines for convertor schools.
2e) New Schools	<ul style="list-style-type: none"> i. Preparing / delivering Free school application for Sixth form provision ii. Explore SEND and AP growth

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GROWING GREAT LEADERS

Area	Our Trust
3a) Thinking Horizons	<ul style="list-style-type: none"> i. Relaunch Thinking Horizons as a distinct department within TSAT – connected to SLAs ii. Pilot Aspiring HT programme iii. Run cohort 2 of Senior Leader (THSL) programme iv. Develop / Establish the taxi rank concept for THML and THSL v. Develop a core CPD menu for teaching and non-teaching staff vi. Develop professional development pathways for all staff vii. Plan initial training for all staff viii. Develop an ECF equivalent model for non-teaching staff
3b) Support and develop our HTs	<ul style="list-style-type: none"> i. Explicit language on role of DoE Monitoring / Support / Intervention ii. Support HTs to develop their SLTs iii. Explicit sharing of what DoEs want to know iv. HT1 – Trust Projects – RACI v. Review of Scheme of Delegation + Optional / Framework vi. PG – impact on Trust objective
3c) Establish CPD mapping	<ul style="list-style-type: none"> i. Establish Professional Development pathways for all members of staff (website developed to facilitate this) ii. Launch of learner journey on Think Ahead iii. Establish strategic succession planning for Trust leadership
3d) CPD on demand	<ul style="list-style-type: none"> i. Develop a CPD menu for teaching and non-teaching staff ii. Linking CPD to Think Ahead to hold training records
3e) Certify to verify	<ul style="list-style-type: none"> i. Develop 16 ihasco videos to link to certify to verify agenda ii. Run a second cohort of Chartered Teachers

EVOLUTION OF SELF

Area	Our Trust
4a) Be your best self	<ul style="list-style-type: none"> i. Develop a framework to allow students to consider their personal development towards being their Best Self – achieved through the Journal – differentiating tasks for different groups (EYFS from Sept 22, KS2/3/4/5 from Sept 23) and linking to the mastery model (Sept 23) – pilot of online journal (from Sept 22) ii. Incorporate mastery model into Think Ahead (pilot Sept 23) iii. Coaching piloted to promote BYBS philosophy iv. Development pilot of Think Ahead App to incorporate CPD and 360 reviews + consider link to teacher standards
4b) Delivering total education	<ul style="list-style-type: none"> i. Launch the concept of Total Education into our schools ii. Using agreed criteria + PASS to begin the process of monitoring our impact in delivering our ambition for delivering Total Education iii. Amending the school Heatmaps to reflect the Total Education criteria as well iv. AAB reports incorporate Total Education – heat map + comment v. Cultural passport engagement with 11 by 11 and 13 in 13 vi. Cultural passport Y2/3 delivering strategy vii. Support all schools to become Arts Mark Schools
4c) Thinking Foundation	<ul style="list-style-type: none"> i. Register as Charity ii. Website developed iii. Use power BI model from TPA at Maritime – link to Total Education criteria iv. Develop / explore new Thinking tools e.g. structural learning v. Develop a TSAT accreditation model and find an HEI to accredit this
4d) Being reflective to be effective	<ul style="list-style-type: none"> i. Online CPD sessions to all end with a reflection sheet linked to Teams and Think Ahead check-ins ii. Continue to embed and model reflective practice at all levels within the organisation e.g. whole school meetings + HT meetings etc iii. Ensure that the Board and Governance through the Trust are reflective to be effective

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Directors' Report
For the year ended 31 August 2022

TRUST OF CHOICE	
Area	Our Trust
5a) Recognition	<ul style="list-style-type: none"> i. Prepare for Investor in People Award application when appropriate ii. Launch and evaluate new internal recognition programme iii. Embed change management process within our Trust iv. Promoting the use of Think Ahead as a recognition tool v. Use of alumni across Trust schools to support creation of pathways e.g. Oxbridge / Medicine / Vet / Dentistry vi. Develop case studies – why TSAT + impact on students + staff
5b) We are one	<ul style="list-style-type: none"> i. Alignment work with key school leaders ii. Develop the articulation of our principles in practice iii. Embedding induction model + reflect on tiered approach so appropriate for individual staff role – July and September iv. Thinking Horizons designed around a 'we are one' philosophy – one stop shop v. Promote and embed SLT Teams groups, Primary and Secondary – based around projects vi. Termly calendar communication – review, this term, horizons – gate keeper of activities going into schools vii. MAT Meets to include all staff – teaching and non-teaching viii. Formalise CL online Teams meetings – part of directed time ix. Primary subject leader meetings – Maths (JM), Science (KJ) – collaborative / common working – Art, MFL, Music (HT1s) – collaborative / supportive working with secondary specialist. TT meetings.

DELIVERING VALUE FOR MONEY	
Area	Our Trust
6a) Offering the right services	<ul style="list-style-type: none"> i. Create a hub development strategy showing how each of the services will develop overtime in each existing hub and any new hubs the Trust starts to work in ii. Provide consultancy, procurement and implementation to support opening of the new Maritime Academy building and decant from temporary site iii. Continued review of 1:1 scheme and expansion of the scheme for additional cohorts/schools with a clear understanding of timeline of implementation iv. Review of 1st phase of data retention project and implementation of the 2nd phase of the data retention project (Deletion of emails older than 18 months, with solution to exclude certain emails using tags/folders) v. Become explicit on the roadmap for each school from due diligence to them achieving a 'good' service and linking this to the heat maps vi. Develop the Commercial Development Lead role to show impact on income generations strategies vii. Launch of additional Thinking Fitness sites in Brixham and RGS viii. Review the internal audit arrangements to ensure compliance systems are effective ix. Actions from MH audit being supported across TSAT through collaboration and sharing of best practice coordinated by SG team and termly SMHL forums x. Review of attendance data required internally (Trust and Schools) to ensure effective use of time in producing and then analysing data xi. Evidencing how we as a Trust and school are compliant with the new Attendance focus and drive of DFE xii. Embed the working of the staff wellbeing strategy group across the Trust with a particular focus on Staff Mental Health wellbeing, recruitment & retention and equality & diversity xiii. To review all Trust policies to ensure that they support the overall strategy and individual working groups. Ensuring policies provide consistency and transparency for employees and managers, helping to enhance wellbeing xiv. Ensure that PS Purchasing rollout is completed across the Trust and is working effectively xv. Update the Partnership agreements to ensure that a clear RASCI is established xvi. To launch Thinking Food strategy
6b) Providing services in the right way	<ul style="list-style-type: none"> i. Promote the concept of the 3 promises within the services that are offered and define what makes a good service and how it links to the TSfE values ii. Develop a comprehensive induction plan for new leaders into the Trust to ensure that they understand how to work with TSfE

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Directors' Report
For the year ended 31 August 2022

	<ul style="list-style-type: none"> iii. Develop an internal communication strategy iv. Produce a system audit overview and develop a longer-term strategy to underpin future system decisions v. Deliver a secure external file sharing solution within Office365 to reduce data breaches that occur when sharing files with external recipients using non-approved methods vi. Implement backup solution for business-critical documents within Office365 to internal storage solution vii. Increase use of Topdesk to ensure data is regularly reviewed by manager to ensure resourcing is correct and in the right areas viii. Reflect on the pilot of Thinking Tuition and develop business plan to develop further ix. Embed a framework to enable the Trust to learn lessons together with HR to identify opportunities to minimise risk to staff and pupils x. Embed an insights focused data driven HR service - Effective use HR data to inform decision, identify risk and action xi. Provide schools tools, knowledge and systems to become more self-sufficient
6c) Ensuring that services are at the right cost	<ul style="list-style-type: none"> i. Develop a strategy to reduce the cost per pupil model over time to establish an affordable and sustainable budget model ii. Review contracts list and develop a strategy to maximise our influence on costs iii. Management and implementation of TTech 2022-23 Pot 4 refresh programme, and to develop revised charging model to ensure programme is sustainable and self-sufficient and linking this to a culture change around devices iv. Develop a focus on sustainability and review energy usage across TSAT and identify potential savings to counter large scale energy price increases v. Investigating a shared reprographics resource to enable to schools greater access, a new service and reduced costs vi. Further develop the chart of accounts and reporting framework to ensure that the principles of 'responsibility accounting' are achieved across the Trust and its subsidiaries vii. Generate interest by reviewing the investment and reserve policy

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.

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 targets;
- pupil attendance targets;
- percentage of income spent on teaching staff;
- percentage of income spent on total staff costs;
- pupil numbers surplus (leading directly to ESFA funding level);
- general financial stability - aim for income to 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.

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Directors' Report

For the year ended 31 August 2022

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 recent growth in the Southwest 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.

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. In recognition of these services to education our Deputy CEO, was awarded an MBE earlier this year.

Fundraising

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

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

UK Greenhouse gas emissions and energy use data	Current Reporting 2021/22	Comparison Reporting year 2020/21
Energy consumption used to calculate emissions (kWh)	13,777,724	10,845,754
Energy consumption break down (kWh) (optional):		
Scope 1 emissions in metric tonnes CO ₂ e		
Gas consumption	1,458.803	1,054.844
Oil consumption	335.222	313.094
Owned transport – mini-buses, pool cars, department vans	24.416	21.851
Total Scope 1	1,818.441	1,389.789
Scope 2 emissions in metric tonnes CO ₂ e		
Purchased electricity	846.171	803.739
Scope 3 emissions in metric tonnes CO ₂ e		
Business travel in employee owned vehicles	15.465	11.652
Total gross emissions in metric tonnes CO ₂ e	2,680.077	2,205.181
Intensity ratio Tonnes CO ₂ e per pupil	0.216	0.223

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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 2021 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 to limit travel. Facilities staff ensure that devices are switched off when not in use, and additionally, LED lighting has been installed in various locations across much of the school sites.

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 36 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.

Financial review

Plympton Academy joined the Trust on 1 January 2022, therefore the financial results contain the net income of £12.27m representing the value of this School's assets (including the value of the School land and buildings carried in Plympton Academy's previous company accounts) less all liabilities on hand at this date which transferred into the Trust. This net income is included in donations on the consolidated Statement of Financial Activities ("SoFA") on page 39, and summarised in note 3 and detailed in note 37.

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 2022 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 £83.59m compared to £65.6m in the previous year. Over 98% 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 £3.0m (2021: £4.6m), primarily guaranteed School Condition Allocation (SCA) from the ESFA. The Group's income can therefore be split as follows:

	2022 (£000s)	2021 (£000s)
Revenue income for the day to day running of the Trust's academies	67,118	55,415
Net donation for inherited assets for joining academies	12,272	4,182
Capital funding	3,010	4,632
Donated capital assets	273	566
Subsidiary income	916	835
	83,589	65,630

Revenue income funding therefore increased by £11.7m. The majority of this income related to funding for education operations, as detailed in note 5, and within this the greatest element (84%) was core General Annual Grant (GAG) funding from the ESFA.

This increase in revenue income funds is mainly attributable to a £11.3m rise in DfE/ESFA grants to £62.7m. This is partly attributable to Plympton Academy joining the Trust on 1 January 2022, and, for the first time, including Plymouth High School for Girls for the full financial year. The remainder of this increase is due to a general increase in funding, and to a small degree increased pupil numbers;

The consolidated SoFA shows net income for the year of £6.89m (2021: £4.45m). The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £44.21m (2021: increase of £1.785m).

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The large actuarial gain (2021: actuarial loss) 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 31. The actuarial gain (loss) for the year is only part of the overall movement in the carried deficit, which has decreased during 2021/22 by £27.86m. 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 £918k (2021: £2.012m).

	2022 (£000s)	2021 (£000s)
Overall net movement in Group funds for the year per SoFA	44,213	1,785
Add:		
Decrease / (increase) attributable to fixed asset fund	(15,457)	(7,990)
LGPS liabilities inherited from joining academies	4,241	1,936
LGPS actuarial (gain)/loss	(37,322)	2,664
LGPS service and interest costs	5,218	3,617
Total movement in-year on Group revenue income funds	893	2,012

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

- part of the movement on revenue income funds arises due to the Plympton Academy surplus of £92k that was inherited when that school joined the Trust;
- The Trust opted to invest £1.52m of revenue funding in acquiring capital assets, and these are shown on the SoFA as transfers into the restricted fixed asset fund.

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

	2022 (£000s)	2021 (£000s)
Total movement in-year on Group revenue income funds	893	2,012
Less: surplus inherited on revenue funds from other joining academies	(92)	(568)
Add: revenue to capital transfers	1,520	1,219
Operational surplus on Group revenue funds	2,321	2,663

At 31 August 2022, the Group held fixed assets with a value of £124m (2021: £106m) 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 £115m (2021: £101m) 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 2022 of £122.89m (2021: £78.672m). All funds apart from £113k (2021: £138k) related to the parent Academy Trust. These funds included restricted fixed asset funds of £125.64m (2021: £110.185m) and revenue income funds of £3.75m (2021: £2.86m).

One fund was in deficit at the 31 August 2022, the Pension Reserve. This deficit of £6.51m (2021: £34.37m) does not mean that an immediate liability crystallises; it results in a cash flow effect for the Trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the Trust as a result of recognising the deficit. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions due from the Trust have been set until 1 April 2023. The rise in the pension deficit during the year is explained above under the financial review.

Restricted revenue income funds stood at £1.31m at 31 August 2022 (2021: £983k). The Group also has completely "free" unrestricted reserves of £2.34m (2021: £1.74m) which can be spent in any way which meets the Trust's charitable objects.

The Thinking Schools Academy Trust

(A company limited by guarantee)

Directors' Report

For the year ended 31 August 2022

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 2022 the Trust held revenue income reserves of £3.64m (2021: £2.7m), shown on the Trust's individual Balance Sheet as restricted income funds of £1.31m (2021: £983k) and completely free unrestricted funds of £2.34m (2021: £1.7m). 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 main 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 review 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, ensuring they are fit for purpose and meet 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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Directors' Report
For the year ended 31 August 2022

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:

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Mr. G. Newman, Chair of Directors

DocuSigned by:

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Mr. S. Gardner, Chief Executive and Accounting Officer

Date: 14 December 2022

The Thinking Schools Academy Trust

(A company limited by guarantee)

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. P. Martin, Chair of Trustees	6	6
Mr. S. Gardner, Chief Executive	6	6
Mr. M.R. Bailey	4	6
Mr. D. Morrison	6	6
Mr. G. Newman	6	6
Mrs. L. Randall	4	6
Mr. S. Geary	5	6
Ms. R. Jordan-Evans	3	5
Mr. D. Lycett	6	6
Mr. I. Mason	4	5

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 September 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, and Fratton, plus an Interim Management Board for Plymouth.

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.

The Thinking Schools Academy Trust

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Governance Statement

Governance (continued)

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	3	3
Mr. M. Bailey	1	3
Mr. P. Martin	3	3
Mr A Jackson	2	2
Mr R Burnett	2	2

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 extending into the 2021/22 academic year 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	3	3
Mr. D. Morrison	3	3
Mr. G. Newman, Chair	3	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	2	3
Mr S Gardner	2	3
Mr. M. Bailey	2	3
Mrs R Jordan-Evans	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 achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of 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;

The Thinking Schools Academy Trust

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Governance Statement

- 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;
- 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of 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 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of 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 Cooper Parry to perform an internal audit function for the Trust with segregated teams.

The appointees' role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. The Audit Committee has designed a programme of work across the Trust which varies from academy to academy based on the relative risks. The appointee has performed regular system checks throughout the year (3 visits across the year with a focus on Academy Trust handbook compliance, HR Policy application, Key Financial Controls and Capital Accounting and Lettings Management) 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' financial responsibilities.

During the year ended 31 August 2022 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.

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Governance Statement

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 2022

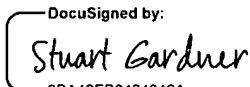
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Statement on Regularity, Propriety and Compliance

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 received by the Trust, under the funding agreement in place 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 2021.

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 2021.

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

DocuSigned by:

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Mr. S. Gardner
Accounting Officer

Date: 14 December 2022

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

Statement of Directors' responsibilities
For the Year Ended 31 August 2022

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 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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:



EFJ5E9088D240D...
Mr. G. Newman
(Chair of Directors)

Date: 14 December 2022

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

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 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Trust's affairs as at 31 August 2022 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 2021 to 2022 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.

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 (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 Trust 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: 16 December 2022

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 2021 to 2022, 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 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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 2022 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.

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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



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

Date: 16 December 2022

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 2022

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Income from:						
Donations and capital grants	3	58	(4,151)	19,704	15,611	9,457
Other trading activities	4	1,820	152	-	1,972	1,434
Investments	6	5	-	-	5	2
Funding for educational operations	5	424	65,577	-	66,001	54,737
Total income		2,307	61,578	19,704	83,589	65,630
Expenditure on:						
Raising funds		747	-	-	747	649
Charitable activities	8	456	69,702	5,783	75,941	60,377
Teaching schools		-	-	-	-	155
Total expenditure		1,203	69,702	5,783	76,688	61,181
Net income/(expenditure) before taxation		1,104	(8,124)	13,921	6,901	4,449
Taxation		(10)	-	-	(10)	-
Net income/(expenditure) after taxation		1,094	(8,124)	13,921	6,891	4,449
Transfers between funds	23	(524)	(1,012)	1,536	-	-
Net movement in funds before other recognised gains/(losses)		570	(9,136)	15,457	6,891	4,449
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	31	-	37,322	-	37,322	(2,664)
Net movement in funds		570	28,186	15,457	44,213	1,785
Reconciliation of funds:						
Total funds brought forward		1,878	(33,391)	110,185	78,672	76,887
Net movement in funds		570	28,186	15,457	44,213	1,785
Total funds carried forward	23	2,448	(5,205)	125,642	122,885	78,672

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


The notes on pages 43 to 79 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 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	15	110	122
Tangible assets	16	123,793	106,176
		<u>123,903</u>	<u>106,298</u>
Current assets			
Stocks	18	53	-
Debtors	19	3,527	2,732
Cash at bank and in hand		10,719	9,970
		<u>14,299</u>	<u>12,702</u>
Creditors: amounts falling due within one year	20	(7,556)	(4,950)
Net current assets		<u>6,743</u>	<u>7,752</u>
Total assets less current liabilities		<u>130,646</u>	<u>114,050</u>
Creditors: amounts falling due after more than one year	21	(1,250)	(1,000)
Provisions for liabilities		-	(4)
Defined benefit pension scheme liability	31	(6,511)	(34,374)
Total net assets		<u><u>122,885</u></u>	<u><u>78,672</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	23	125,642	110,185
Restricted income funds	23	1,306	983
Pension reserve	23	(6,511)	(34,374)
Total restricted funds	23	<u>120,437</u>	<u>76,794</u>
Unrestricted income funds	23	<u>2,448</u>	<u>1,878</u>
Total funds		<u><u>122,885</u></u>	<u><u>78,672</u></u>

The financial statements on pages 39 to 79 were approved and authorised for issue by the Directors and are signed on their behalf, by:

DocuSigned by:

 EF15F30889D240D...
 Mr. G. Newman
 (Chair of Directors)

DocuSigned by:

 38A43E804334046A...
 Mr. S. Gardner
 (Chief Executive and Accounting Officer)

Date: 14 December 2022

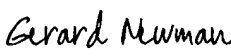
The notes on pages 43 to 79 form part of these financial statements.

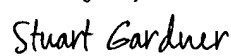
The Thinking Schools Academy Trust
(A Company Limited by Guarantee)
Registered number: 07359755

Trust Balance Sheet
As at 31 August 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	15	110	122
Tangible assets	16	123,782	106,162
Investments	17	25	25
		<u>123,917</u>	<u>106,309</u>
Current assets			
Stocks	18	53	-
Debtors	19	3,599	2,723
Cash at bank and in hand		10,444	9,816
		<u>14,096</u>	<u>12,539</u>
Creditors: amounts falling due within one year	20	(7,480)	(4,940)
Net current assets		<u>6,616</u>	<u>7,599</u>
Total assets less current liabilities		<u>130,533</u>	<u>113,908</u>
Creditors: amounts falling due after more than one year	21	(1,250)	(1,000)
Defined benefit pension scheme liability	31	(6,511)	(34,374)
Total net assets		<u><u>122,772</u></u>	<u><u>78,534</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	23	125,642	110,185
Restricted income funds	23	1,306	983
Pension reserve	23	(6,511)	(34,374)
Total restricted funds	23	<u>120,437</u>	<u>76,794</u>
Unrestricted income funds	23	<u>2,335</u>	<u>1,740</u>
Total funds		<u><u>122,772</u></u>	<u><u>78,534</u></u>

The financial statements on pages 39 to 79 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:

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

Date: 14 December 2022

The notes on pages 43 to 79 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 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	25	3,803	1,959
Cash flows from investing activities	27	(3,434)	1,137
Cash flows from financing activities	26	380	(158)
		<u>749</u>	<u>2,938</u>
Change in cash and cash equivalents in the year		749	2,938
Cash and cash equivalents at the beginning of the year		9,970	7,032
Cash and cash equivalents at the end of the year	28, 29	<u>10,719</u>	<u>9,970</u>

The notes on pages 43 to 79 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 2022

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 2021 to 2022 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 2022

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 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.

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.

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

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

1. Accounting policies (continued)

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 costing more than £2,500 and property improvements costing more than £10,000 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.

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.

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

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

1. Accounting policies (continued)

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 19. 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 20 and 21. 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.

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

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

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

1. Accounting policies (continued)

1.17 Pensions (continued)

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.

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 31, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the

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

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

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

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 considerably higher than the rates used in 2021. 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 from £34.4m to £6.5m during the year.

3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Transfer from local authority on conversion	-	-	-	-	4,182
Donated assets	-	-	273	273	566
Transfer in of existing academy trust (Note 37)	57	(4,206)	16,421	12,272	-
Donations	1	55	-	56	77
Capital grants	-	-	3,010	3,010	4,632
	<u>58</u>	<u>(4,151)</u>	<u>19,704</u>	<u>15,611</u>	<u>9,457</u>
<i>Analysis of 2021 total by fund</i>	<u>56</u>	<u>(1,347)</u>	<u>10,748</u>	<u>9,457</u>	

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

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

4. Income from other trading activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Hire of facilities	516	-	516	184
Thinking Fitness	127	-	127	110
Catering	207	-	207	143
School clubs	45	83	128	73
Sales of goods and services	1	62	63	83
Subsidiary income	916	-	916	835
Other	8	7	15	6
	<u>1,820</u>	<u>152</u>	<u>1,972</u>	<u>1,434</u>
<i>Analysis of 2021 total by fund</i>	<u>1,295</u>	<u>139</u>	<u>1,434</u>	

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

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

5. Funding for educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Funding for educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	56,173	56,173	44,917
Other DfE/ESFA grants				
Pupil Premium	-	3,282	3,282	2,833
UIFSM	-	426	426	383
Teachers' pension grant	-	172	172	1,588
Teachers' pay grant	-	61	61	547
School supplementary grant	-	703	703	-
Recovery premium	-	410	410	-
Others	-	1,457	1,457	1,062
	-	62,684	62,684	51,330
Other Government grants				
Local authority - special educational projects	-	714	714	434
Other local authority grants	-	1,083	1,083	1,121
Notional apprenticeship levy	-	116	116	83
	-	1,913	1,913	1,638
Other income from educational operations	424	906	1,330	604
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	693
Other DfE/ESFA COVID-19 funding	-	74	74	293
	-	74	74	986
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	41
	-	-	-	-
Teaching school hub				
DfE/ESFA grants	-	-	-	134
Other income	-	-	-	4
	-	-	-	138
	424	65,577	66,001	54,737
<i>Analysis of 2021 total by fund</i>	118	54,619	54,737	

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

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

6. Investment income

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Bank interest	5	5	2
<i>Analysis of 2021 total by fund</i>	2	2	

7. Expenditure

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000	Total 2021 £000
Expenditure on fundraising trading activities:					
Direct costs	607	-	140	747	649
Educational operations:					
Direct costs	43,605	-	9,357	52,962	42,685
Allocated support costs	13,236	4,628	5,115	22,979	17,692
Teaching school	-	-	-	-	155
	57,448	4,628	14,612	76,688	61,181
<i>Analysis of 2021 total</i>	47,003	6,074	8,104	61,181	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total 2022 £000	Total 2021 £000
Educational operations	456	75,485	75,941	60,377
<i>Analysis of 2021 total by fund</i>	182	60,195	60,377	

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

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

9. Analysis of expenditure by activities

	Direct costs	Support costs	Total	Total
	2022	2022	funds	funds
	£000	£000	2022	2021
			£000	£000
Educational operations	52,962	22,979	75,941	60,377
<i>Analysis of 2021 total</i>	<i>42,685</i>	<i>17,692</i>	<i>60,377</i>	

Analysis of support costs

	Total	Total
	funds	funds
	2022	2021
	£000	£000
Staff costs	13,236	9,908
Premises costs	4,628	3,810
Technology costs	1,512	1,044
Legal costs - conversion	34	9
Legal costs - other	50	47
Other support costs	3,449	2,830
Governance costs	70	44
	22,979	17,692

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£000	£000
Operating lease rentals	189	177
Depreciation of tangible fixed assets	5,466	3,412
Amortisation of intangible assets	12	1
Loss on disposal of fixed assets	70	4
Fees paid to auditors for:		
- audit	38	38
- other services	6	5

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2022 £000	<i>Group 2021 £000</i>	Trust 2022 £000	<i>Trust 2021 £000</i>
Wages and salaries	39,180	32,664	38,641	32,215
Social security costs	4,079	3,255	4,036	3,215
Pension costs	13,500	10,538	13,475	10,517
	<u>56,759</u>	<u>46,457</u>	<u>56,152</u>	<u>45,947</u>
Agency staff costs	634	400	634	400
Staff restructuring costs	55	146	55	146
	<u>57,448</u>	<u>47,003</u>	<u>56,841</u>	<u>46,493</u>

Staff restructuring costs comprise:

Severance payments	<u>55</u>	<u>146</u>	<u>55</u>	<u>146</u>
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b. Severance payments

The Group paid 5 severance payments in the year, disclosed in the following bands:

	Group 2022 No.
£0 - £25,000	<u>5</u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £36k (2021 - £58k). Individually, the payments were: £6k; £12k; £8k; £10k.

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Notes to the Financial Statements
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11. Staff (continued)

d. Staff numbers

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

	Group 2022 No.	<i>Group 2021 No.</i>	Trust 2022 No.	<i>Trust 2021 No.</i>
Teachers	635	539	635	539
Administrative and support	819	695	797	672
Management	31	23	28	21
	<u>1,485</u>	<u>1,257</u>	<u>1,460</u>	<u>1,232</u>

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	<i>Group 2021 No.</i>	Trust 2022 No.	<i>Trust 2021 No.</i>
Teachers	587	499	587	499
Administrative and support	557	477	539	459
Management	31	23	28	21
	<u>1,175</u>	<u>999</u>	<u>1,154</u>	<u>979</u>

e. Higher paid staff

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

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	16	18
In the band £70,001 - £80,000	11	9
In the band £80,001 - £90,000	4	4
In the band £90,001 - £100,000	2	2
In the band £110,001 - £120,000	3	2
In the band £140,001 - £150,000	1	1
In the band £180,001 - £190,000	1	-

During this year the board commissioned an independent review of Executive remuneration as it had not been looked at formally since 2016. An external consultant produced a report that benchmarked our leaders against others in the sector. It recommended the creation of 4 pay groups and criteria that could be applied to senior roles to evaluate their post into one of these bands. An updated pay policy was developed to provide transparency on movement within these bands. The recommendations were approved in the December Board meeting and backdated to 1 September 2021.

f. Key management personnel

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11. Staff (continued)

The key management personnel of the Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,004k (2021 - £925k).

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 2021/22 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

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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 21/22 this equated to £3,132k. This figure is a marked increase from 20/21 due to Headteacher costs being paid as part of the Educational Levy. Contributions were as follows:

	2022	2021
	£000	£000
Strood Hub (AFS/CDR/GOR)	458	99
Chatham Hub (VIC/HGS/NHO)	793	253
Goodwin Academy (GWA)	246	83
New Horizons Primary School (NHP)	179	46
Meon/Moorings Way (MIS/MJS/MWI)	332	53
Penhale Infant School/Newbridge Junior School (PHI/NBR)	261	59
Plymouth High School (PHS)	232	43
The Rochester Grammar School (RGS)	325	119
The Portsmouth Academy (TPA)	306	103
Total	3,132	858

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..

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Notes to the Financial Statements
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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:

		2022	2021
		£000	£000
Mr. S. Gardner (CEO)	Remuneration	185 - 190	145 - 150
	Pension contributions paid	40 - 45	35 - 40
	Other benefits	5 - 10	5 - 10

During the year ended 31 August 2022, no Director expenses have been incurred (2021 - £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 2021	123
At 31 August 2022	123
Amortisation	
At 1 September 2021	1
Charge for the year	12
At 31 August 2022	13
Net book value	
At 31 August 2022	110
At 31 August 2021	122

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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 2021	111,649	2,507	1,628	6,590	122,374
Additions	1,582	3,953	20	1,389	6,944
Transfer in of existing academy	18,123	-	544	296	18,963
Disposals	(866)	-	(263)	(1,463)	(2,592)
Transfers between classes	448	(715)	-	267	-
At 31 August 2022	130,936	5,745	1,929	7,079	145,689
Depreciation					
At 1 September 2021	10,312	-	1,548	4,338	16,198
Charge for the year	4,261	-	84	1,148	5,493
On disposals	(866)	-	(263)	(1,393)	(2,522)
Transfer in of existing academy	2,067	-	400	260	2,727
At 31 August 2022	15,774	-	1,769	4,353	21,896
Net book value					
At 31 August 2022	115,162	5,745	160	2,726	123,793
At 31 August 2021	101,337	2,507	80	2,252	106,176

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 2021	111,649	2,507	1,602	6,590	122,348
Additions	1,582	3,953	20	1,389	6,944
Transfer in of existing academy	18,123	-	544	296	18,963
Disposals	(866)	-	(263)	(1,463)	(2,592)
Transfers between classes	448	(715)	-	267	-
At 31 August 2022	130,936	5,745	1,903	7,079	145,663

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16. Tangible fixed assets (continued)

Trust (continued)

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Total £000
Depreciation					
At 1 September 2021	10,312	-	1,536	4,338	16,186
Charge for the year	4,261	-	81	1,148	5,490
On disposals	(866)	-	(263)	(1,393)	(2,522)
Transfer in of existing academy	2,067	-	400	260	2,727
At 31 August 2022	15,774	-	1,754	4,353	21,881
Net book value					
At 31 August 2022	115,162	5,745	149	2,726	123,782
At 31 August 2021	101,337	2,507	66	2,252	106,162

Included in land and buildings is leasehold land of £14.2m (2021 - £12.3m) which is not depreciated.

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17. Fixed asset investments

	Investments in subsidiary companies £000
Trust	
Cost or valuation	
At 1 September 2021	25
At 31 August 2022	25
Net book value	
At 31 August 2022	25
At 31 August 2021	25

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	661	(698)	(37)	37
Little Thinkers Pre-School & Nursery Limited	376	(354)	22	101

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18. Stocks

	Group 2022 £000	<i>Group</i> <i>2021</i> <i>£000</i>	Trust 2022 £000	<i>Trust</i> <i>2021</i> <i>£000</i>
Finished goods and goods for resale	53	-	53	-

19. Debtors

	Group 2022 £000	<i>Group</i> <i>2021</i> <i>£000</i>	Trust 2022 £000	<i>Trust</i> <i>2021</i> <i>£000</i>
Due after more than one year				
Other debtors	-	-	8	15
Due within one year				
Trade debtors	415	262	477	233
Other debtors	766	574	771	579
Prepayments and accrued income	2,346	1,896	2,343	1,896
	3,527	2,732	3,599	2,723

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20. Creditors: Amounts falling due within one year

	Group 2022 £000	<i>Group 2021 £000</i>	Trust 2022 £000	<i>Trust 2021 £000</i>
Other loans	132	-	130	-
Trade creditors	3,431	1,637	3,438	1,658
Other taxation and social security	1,001	817	990	800
Other creditors	1,451	1,157	1,447	1,157
Accruals and deferred income	1,541	1,339	1,475	1,325
	<u>7,556</u>	<u>4,950</u>	<u>7,480</u>	<u>4,940</u>

Accruals at 31 August 2022 include £178k (2021 - £148k) in respect of the estimated back pay which may be due for term time only workers' annual leave (see also contingent liability note 31 for further details and an explanation of the uncertainty around this).

	Group 2022 £000	<i>Group 2021 £000</i>	Trust 2022 £000	<i>Trust 2021 £000</i>
Deferred income at 1 September 2021	(198)	-	(198)	-
Resources deferred during the year	785	580	729	580
Amounts released from previous periods	198	(778)	198	(778)
	<u>785</u>	<u>(198)</u>	<u>729</u>	<u>(198)</u>

The deferred income above relates to income received for trips to take place in the 2021/22 academic year of £98k (2021 - £17k), grant income received in advance of £564k (2021 - £491k) and other income received in advance of £67k (2021 - £72k).

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

	Group 2022 £000	<i>Group 2021 £000</i>	Trust 2022 £000	<i>Trust 2021 £000</i>
Other loans	<u>1,250</u>	<u>1,000</u>	<u>1,250</u>	<u>1,000</u>

Other loan balances in notes 20 and 21 above total £1.38m and comprise:

- ESFA Recoverable Funding Debt of £1m, taken on when Goodwin Academy (GWA) joined the Trust. The date for commencement of recovery will be subject to a prior review of the updated individual Goodwin Academy budget to assess affordability and agree a schedule for recovery which does not put the academy in a deficit position in any financial year. The debt is shown as falling due after one year.
- A further ESFA loan included above of £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 £31k, which also transferred to the Trust when PLM joined in the year. The loan is interest free and due to be fully repaid by September 2024.

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22. Deferred taxation

Group

	2022
	£000
At the beginning and end of the year	-

The deferred tax liability is made up as follows:

	Group	<i>Group</i>	Trust	<i>Trust</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Accelerated capital allowances	-	(4)	-	(4)

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23. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
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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23. Statement of funds (continued)

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 2022.

The other DfE/ESFA grants fund is used to track non-GAG grants received from the ESFA, the DfE or executive agencies of the DfE and includes Pupil Premium, school supplementary grant and recovery premium..

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 £1.78m on the capital fund at the end of the year represents unspent capital income.

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Notes to the Financial Statements
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23. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £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 2021 £000</i>
Unrestricted funds						
General fund	1,181	636	(182)	105	-	1,740
Subsidiaries	110	835	(649)	(158)	-	138
	<u>1,291</u>	<u>1,471</u>	<u>(831)</u>	<u>(53)</u>	<u>-</u>	<u>1,878</u>
Restricted general funds						
General Annual Grant (GAG)	(759)	44,917	(44,095)	192	-	255
Other DfE/ESFA grants	72	6,547	(5,890)	(616)	-	113
Other government grants	3	1,638	(1,095)	(183)	-	363
Other restricted	242	1,218	(755)	(559)	-	146
Catch-up premium	-	693	(587)	-	-	106
Other DfE/ESFA COVID-19 funding	-	293	(293)	-	-	-
Coronavirus Job Retention Scheme grant	-	41	(41)	-	-	-
Pension reserve	(26,157)	(1,936)	(3,617)	-	(2,664)	(34,374)
	<u>(26,599)</u>	<u>53,411</u>	<u>(56,373)</u>	<u>(1,166)</u>	<u>(2,664)</u>	<u>(33,391)</u>
Restricted fixed asset funds						
Fixed assets	100,105	6,091	(3,409)	3,497	-	106,284
Capital funds	2,090	4,657	(568)	(2,278)	-	3,901
	<u>102,195</u>	<u>10,748</u>	<u>(3,977)</u>	<u>1,219</u>	<u>-</u>	<u>110,185</u>
Total Restricted funds	<u>75,596</u>	<u>64,159</u>	<u>(60,350)</u>	<u>53</u>	<u>(2,664)</u>	<u>76,794</u>
Total funds	<u>76,887</u>	<u>65,630</u>	<u>(61,181)</u>	<u>-</u>	<u>(2,664)</u>	<u>78,672</u>

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23. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	<i>2021</i>
	£000	<i>£000</i>
RGS	430	297
AFS/GOR/CDR	761	725
TPA	607	375
HGS/VIC/NHO	1,351	1,091
NHOP (IBJ/MER)	223	222
PHI/NBR	702	617
MIS/MJS/MWI	177	146
PHS	244	219
GWA	(1,704)	(1,736)
PLM	191	-
MAR	42	-
Central services	617	767
Subsidiaries	113	138
Total before fixed asset funds and pension reserve	3,754	2,861
Restricted fixed asset fund	125,642	110,185
Pension reserve	(6,511)	(34,374)
Total	122,885	<i>78,672</i>

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit
	£000
Goodwin Academy	(1,704)

This deficit of £1.704 million includes £1 million inherited and transferred into the Academy Trust when Goodwin Academy (GWA) joined on 1 September 2018. Original deficit recovery plans took account of an expected further deficit in 18/19 as the cost saving measures were being implemented and pupil numbers began to increase. Unfortunately, pupil number growth has been less than expected and the anticipated increase in deficit over the previous two years has been higher as a result.

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

GWA has achieved a small revenue surplus for 21/22 and a surplus budget has been set for 22/23 that is expected to reduce the cumulative deficit further.

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23. Statement of funds (continued)

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 2022 £000	Total 2021 £000
RGS	4,487	288	395	191	5,361	5,237
AFS/GOR/CDR	4,390	413	307	318	5,428	5,475
TPA	4,521	443	392	463	5,819	5,270
HGS/VIC/NHO	10,125	935	738	794	12,592	11,423
NHOP (IBJ/MER)	2,061	232	213	204	2,710	2,648
PHI/NBR	2,314	225	187	208	2,934	3,135
MIS/MJS/MWI	2,126	230	192	236	2,784	2,843
PHS	2,775	319	269	145	3,508	2,531
GWA	3,820	245	321	205	4,591	4,365
PLM	2,898	255	254	186	3,593	-
MAR	5	6	39	210	260	-
Central services	3,896	9,605	551	6,797	20,849	14,195
Subsidiaries	-	-	-	757	757	649
Trust	43,418	13,196	3,858	10,714	71,186	57,771

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.

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
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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24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Restricted fixed asset funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Tangible fixed assets	14	-	106,162	106,176
Intangible fixed assets	-	-	122	122
Current assets	1,878	6,923	3,901	12,702
Creditors due within one year	(10)	(4,940)	-	(4,950)
Creditors due in more than one year	-	(1,000)	-	(1,000)
Provisions for liabilities and charges	(4)	(34,374)	-	(34,378)
Total	1,878	(33,391)	110,185	78,672

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

	2022 £000	2021 £000
Net income for the year (as per Statement of Financial Activities)	6,891	4,449
Adjustments for:		
Amortisation	12	1
Depreciation	5,490	3,412
Loss/(profit) on disposal of tangible fixed assets	(70)	(1)
Capital grants from DfE and other capital income	(3,232)	(4,632)
Interest receivable	(5)	(2)
Defined benefit pension scheme obligation inherited	4,241	1,936
Defined benefit pension scheme cost less contributions payable	4,613	3,190
Defined benefit pension scheme finance cost	605	427
(Increase)/decrease in stocks	(53)	-
Increase in debtors	(927)	(553)
Increase/(decrease) in creditors	2,747	(177)
Donated fixed assets	(273)	(566)
Fixed assets transferred in on conversion	-	(5,525)
Fixed assets transferred in from existing academy	(16,236)	-
Net cash provided by operating activities	3,803	1,959

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26. Cash flows from financing activities

	Group 2022 £000	<i>Group 2021 £000</i>
Loans transferred in from existing academy	403	-
Repayments of borrowing	(23)	(158)
Net cash provided by/(used in) financing activities	380	(158)

27. Cash flows from investing activities

	Group 2022 £000	<i>Group 2021 £000</i>
Dividends, interest and rents from investments	5	2
Purchase of intangible assets	-	(123)
Purchase of tangible fixed assets	(6,671)	(3,379)
Proceeds from the sale of tangible fixed assets	-	5
Capital grants from DfE Group	3,232	4,507
Capital funding received from sponsors and others	-	125
Net cash (used in)/provided by investing activities	(3,434)	1,137

28. Analysis of cash and cash equivalents

	Group 2022 £000	<i>Group 2021 £000</i>
Cash in hand and at bank	10,719	9,970

29. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2022 £000
Cash at bank and in hand	9,970	749	-	10,719
Debt due within 1 year	-	(25)	(107)	(132)
Debt due after 1 year	(1,000)	-	(250)	(1,250)
	8,970	724	(357)	9,337

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30. Contingent liabilities

The Trust has exposure to the following separate contingent liabilities:

- 1) A contingent liability exists in respect of the deficit inherited when Goodwin Academy joined the Trust on 1 September 2018. Officially the Trust took on £2.6m of liabilities in respect of the full amount of the ESFA funding debt attributed to Goodwin Academy during the time it was managed by the predecessor Trust. However an arrangement was entered into with the ESFA to limit the Trust's exposure to £1m, subject to certain conditions. Since the Directors were fully confident that the conditions will be met, only the £1m deficit was therefore reflected in the 2018/19 financial statements.

The Trustees remain fully confident that the conditions will be met and so the 2021/22 financial statements continue to reflect only the £1m maximum amount which the Directors believe the Trust is exposed to. If however, for any reason, these conditions are not met, then the Trust would be responsible for the full liabilities of £2.6m.

- 2) 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.

31. 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 and Devon County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £1,002,000 were payable to the schemes at 31 August 2022 (2021 - £835,000) and are included within creditors.

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31. Pension commitments (continued)

Teachers' Pension Scheme

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

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

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31. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £5,717,000 (2021 - £4,842,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.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.

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 2022 was £3,209,000 (2021 - £2,686,000), of which employer's contributions totalled £2,472,000 (2021 - £2,056,000) and employees' contributions totalled £737,000 (2021 - £630,000). The agreed contribution rates for future years have been set until March 2023.

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.

Principal actuarial assumptions

Kent County Council

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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

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31. Pension commitments (continued)

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	21.0	21.9
Females	23.5	23.8
<i>Retiring in 20 years</i>		
Males	22.3	23.3
Females	24.9	25.3

Hampshire County Council

	2022 %	2021 %
Rate of increase in salaries	3.70	3.60
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70

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

	2022 Years	2021 Years
<i>Retiring today</i>		
Males	22.9	23.1
Females	25.4	25.5
<i>Retiring in 20 years</i>		
Males	24.7	24.8
Females	27.1	27.3

Devon County Council

	2022 %	2021 %
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65

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

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31. Pension commitments (continued)

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.7
Females	22.9	24.0
<i>Retiring in 20 years</i>		
Males	23.0	24.0
Females	24.3	25.4

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(816)	(1,227)
Discount rate -0.1%	837	1,261
Mortality assumption - 1 year increase	990	1,946
Mortality assumption - 1 year decrease	(961)	(1,872)
CPI rate +0.1%	785	1,125
CPI rate -0.1%	(765)	(1,096)

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31. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £000	<i>At 31 August 2021 £000</i>
Equities	25,350	22,834
Gilts	2,026	2,589
Corporate bonds	5,254	3,140
Property	4,251	3,192
Cash and other liquid assets	585	738
Other	3,695	3,994
Total market value of assets	41,161	36,487

The actual return on scheme assets was £(1,487,000) (2021 - £4,781,000).

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

	2022 £000	<i>2021 £000</i>
Current service cost	(7,071)	(5,232)
Interest income	669	491
Interest cost	(1,274)	(918)
Administrative expenses	(14)	(14)
Transfer on conversion	-	(1,936)
Transfer in of existing academy trust	(4,241)	-
Total amount recognised in the Consolidated Statement of Financial Activities	(11,931)	(7,609)

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

	2022 £000	<i>2021 £000</i>
At 1 September	70,861	54,435
Conversion of academy trusts	-	3,283
Transferred in on existing academies joining the Trust	8,070	-
Current service cost	7,071	5,232
Interest cost	1,274	918
Employee contributions	737	630
Actuarial (gains)/losses	(39,478)	6,954
Benefits paid	(863)	(591)
At 31 August	47,672	70,861

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31. Pension commitments (continued)

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

	2022	<i>2021</i>
	£000	<i>£000</i>
At 1 September	36,487	28,278
Conversion of academy trusts	-	1,347
Transferred in on existing academies joining the Trust	3,829	-
Interest income	669	491
Actuarial (losses)/gains	(2,156)	4,290
Employer contributions	2,472	2,056
Employee contributions	737	630
Benefits paid	(863)	(591)
Administrative expenses	(14)	(14)
At 31 August	<u>41,161</u>	<u>36,487</u>

32. Operating lease commitments

At 31 August 2022 the Group and the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	<i>Group</i>	Trust	<i>Trust</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Not later than 1 year	191	189	182	180
Later than 1 year and not later than 5 years	115	231	115	231
	<u>306</u>	<u>420</u>	<u>297</u>	<u>411</u>

33. 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.

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34. 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

Dr. H. Finnemore, the spouse of Mr. A. Finnemore, a director of the Trust's subsidiary company Thinking Solutions for Education Limited, is employed by the Trust for her role as an Operations Coordinator. Mr. A. Finnemore had no involvement in the appointment of Dr. H. Finnemore and the directors are comfortable that Dr. H. Finnemore's salary provides value for money and is not at a preferential rate. Dr. H. Finnemore is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a director of the Trust's subsidiary company.

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.

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 £121k (2021 - £110k). TSfE also made gift aid donations of £Nil (2021 - £53k) to the Trust. At 31 August 2022, TSfE owed the Trust £13k (2021 - £20k) 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 Bank of England base rate. At 31 August 2022 TSfE additionally owed the Trust £104k (2021: The Trust owed TSfE £3k) on trading accounts.

During the year, Little Thinkers Pre-School & Nursery Limited, a subsidiary undertaking of the Trust, paid The Trust £19k (2021 - £19k) in rent and service charges.

35. Post balance sheet events

On 1 September 2022 the Trust expanded further when the following academies joined:

- Brixham College, an existing academy in Torbay, Devon, transferred into the Trust. The transfer was from Brixham College Academy Trust, company number 07845675.
- Maritime Academy, a new academy free school, opened in Medway, Kent.
- Furzeham Primary School, an academy converter in Torbay, Devon.

36. Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. During the year ended 31 August 2022 the Trust received £95k (2021 - £76k) and disbursed £39k (2021 - £38k) from the fund. An amount of £161k (2021 - £115k) is included in other creditors relating to undistributed funds.

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37. 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 £44.24m (2021 - increase of £1.76m).

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 £826k during 2021/22 once the impact of transferred in revenue balances is stripped out, which compares to an increase of £1.42m in the prior year.

As explained in the financial review section of the trustees' report and shown on the Statement of Financial Activities, total Group funds increased during the year by £44.21m (2021 - by £1.79m).

38. 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.

39. Transfer of existing academies into the Trust

Plympton Academy

	Value reported by transferring trust £000	Fair value adjustments £000	Transfer in recognised £000
Tangible fixed assets			
Long-term leasehold property	16,056	-	16,056
Furniture and equipment	143	-	143
Computer equipment	36	-	36
Motor vehicles	1	-	1
Current assets			
Debtors due within one year	383	-	383
Cash at bank and in hand	772	-	772
Liabilities			
Creditors due within one year	(687)	-	(687)
Creditors due after one year	(191)	-	(191)
Pensions			
Pensions - pension scheme liabilities	(4,327)	86	(4,241)
Net assets	<u>12,186</u>	<u>86</u>	<u>12,272</u>