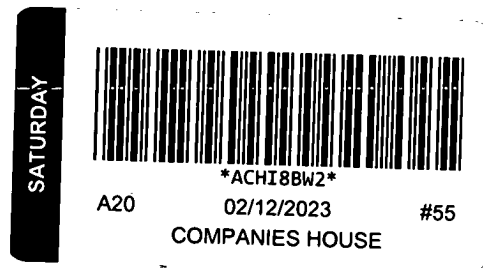


**Company registration number 07827747 (England and Wales)**

**THE EVOLVE TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# **THE EVOLVE TRUST**

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details	1
Trustees' report	2 - 7
Governance statement	8 - 10
Statement on regularity, propriety and compliance	11
Statement of Trustees' responsibilities	12
Independent auditor's report on the accounts	13 - 17
Independent reporting accountant's report on regularity	18 - 19
Statement of financial activities including income and expenditure account	20 - 21
Balance sheet	22
Statement of cash flows	23
Notes to the accounts including accounting policies	24 - 48

---

## **THE EVOLVE TRUST**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

---

#### **Members**

A Buckley  
A Child MBE  
E Leming  
H Stevenson

#### **Trustees**

A Child (Chair of trustees)  
C Anwar (Resigned 31 December 2022)  
S Ball (Resigned 31 December 2022)  
J Chaloner (Vice chair of trustees)  
E Grant (Resigned 31 December 2022)  
A Michalska (Resigned 31 December 2022)  
S Westaway (Resigned 31 December 2022)  
W Carratt (Appointed 12 December 2022)

#### **Senior management team**

- Chief Executive and Accounting Officer W Carratt  
- Chief Finance Officer A Brown

**Company registration number** 07827747 (England and Wales)

**Registered office** C/O The Brunts Academy  
The Park  
Mansfield  
NG18 2AT

<b>Academies operated</b>	<b>Location</b>
The Brunts Academy	Mansfield
The Beech Academy	Mansfield
The Bramble Academy	Mansfield
The Harlow Academy	Mansfield

All academies transferred out of the trust during the year

**Independent auditor** UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

These will be the final annual accounts of The Evolve Trust, as it is being wound up following the re-brokering of its constituent academies through 2022-23. It is anticipated that the Trust will close by the end of December 2023.

The academy trust operated only two academies in this reporting period, both up until 30 November 2022 and both in the Mansfield area: one mainstream primary school (Bramble Academy) and one mainstream secondary school (Bruns Academy). Both schools were re-brokered to Greenwood Academies Trust on 1 December 2022.

The Trust saw its two special academies re-brokered on 1 September 2022 to Nexus Multi Academy Trust

The Board of Trustees, Chief Executive Officer and Chief Finance Officer were all appointed to oversee the transfer of all schools out of the Trust and the winding-up of the company, following the catastrophic management of the Trust and its schools by the previous management and governance regime, which was removed in early 2022.

All of the Trust's former academies are now thriving in their new Trusts.

#### **Structure, governance and management**

##### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Evolve Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as the Evolve Trust

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative

##### Members' liability

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

##### Trustees' indemnities

The Evolve Trust has in place relevant third-party indemnity provisions.

##### Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Trustees who are appointed under the terms of the articles of association.

Up to 9 Trustees may be appointed by members of the Trust. The Trustees may appoint co-opted trustees.

The term of office for any Trustee is 4 years. Subject to remaining eligible to be a particular type of Trustee, any trustee can be re-appointed or re-elected.

## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Policies and procedures adopted for the induction and training of Trustees

New Trustees are provided with an induction pack which provides guidance on their role as a Trustee.

##### Organisational structure

The members of the Evolve Trust are the subscribers to the memorandum of association, and any other individuals permitted under its charitable articles of association. Members have a limited financial liability to the Trust in the event it is wound up and have the power to appoint and remove trustees.

The Trustees, who are also directors of the charitable company, are responsible for the three core strategic governance functions:

- Ensuring clarity of vision, ethos and strategic direction;
- Holding executive leaders to account for the educational performance of the organisation and its pupils, and the effective and efficient performance management of staff; and
- Overseeing the financial performance of the organisation and making sure its money is well spent.

The Trustees are responsible for ensuring that the charitable company achieves its objectives as well as compliance with charity and company law and the Trust's funding agreement.

Governance is held by the Board of Trustees. Due to the Trust being empty, there are no committees of the Board of Trustees.

The Trustees appoint the Chief Executive Officer who also acts as Accounting Officer for the Trust. The Trustees delegate the day to day financial management of the Trust to the Chief Executive Officer.

##### Arrangements for setting pay and remuneration of key management personnel

Following the departure of the full time Chief Executive Officer in January 2022, the Trustees – taking advice from the Department for Education and the ESFA – appointed an off-payroll Chief Executive Officer to lead the closure of the Trust as its academies are re-brokered to other Trusts.

From 1 August 2022, Mr. Warren Carratt was appointed Chief Executive and Accounting Officer. Mr. Carratt is seconded on a part time basis from Nexus Multi Academy Trust, to ensure that the Trust is wound up effectively. Trustees provide the cost for Mr. Carratt's salary at the specified level, without any additional fee being charged by Nexus Multi Academy Trust.

As a serving Chief Executive and Accounting Officer sitting off- payroll, the ESFA were required to approve the appointment of Mr. Carratt.

Since commencing in post on 31 March 2022, Chief Finance Officer Mr. Andi Brown is also not employed directly by the Evolve Trust, and his services are provided by SAAF Education.

##### Trade union facility time

Under the provision of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees through any 7 months within the reporting period, it must include the information included in Schedule 2 of the Regulations.

The Trust does not employ union officials as it recognises the Joint Consultative Negotiation Committee from Nottinghamshire County Council.

## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Engagement with employees

The Trust has had due regard for The Companies (Miscellaneous Reporting) Regulations 2018. Within the accounting period, the Trust through September – November 2022:

- Undertook TUPE consultation with staff, in conjunction with the receiver Trusts as determined by the Department for Education;

The Trust commissioned Fusion HR to support employee relations.

Recruitment practices have been compliant with the public sector equality duty, with anyone identifying as disabled getting necessary and proportionate support.

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

Following an inadequate Ofsted inspection judgment in November 2022, the Trust accounting officer attended a family information sharing session at The Brunts Academy on 18 January 2023, alongside the new responsible MAT - Greenwood Academies Trust - to take responsibility for the inspection outcome and apologise for the historical mismanagement of the Trust and school.

##### Related parties and other connected charities and organisations

There are related party transactions in place between the Trust and Nexus MAT (given the secondment of Mr. Warren Carratt and by virtue of Mr. Andrew Child MBE being Chair of both the Evolve Trust and Nexus Multi Academy Trust) and SAAF Education (given the appointment of Mr. Andi Brown).

Any and all transactions are charged at cost, underpinned by contracts which have been shared with the ESFA.

##### **Objectives and activities**

###### Objects and aims

The Trust's leadership and governance team prioritised the schools being safe, secure places for children to learn and staff to work in the short term, whilst the medium to long term futures of the schools has been prioritised in parallel.

As per the Articles of Association, the objects of the Trust are:

- i. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the Alternative Provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students within that age range ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and
- ii. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### Objectives, strategies and activities

Following the transfer of the remaining two academies out of the Trust and into Greenwood Academies Trust on 1 December 2022, the Board of Trustees was reduced down to 3, with the majority of those Trustees who had been appointed as part of intervention, following the Trusts failings, resigning effective 31 December 2022. The remaining 3 Trustees, one of whom is also the named accounting officer, took responsibility for overseeing the closure of the Trust.

The Chief Finance Officer has worked with his peers at both Nexus Multi Academy Trust and Greenwood Academies Trust to re-distribute the majority of the Trust reserve, on an agreed formula basis, retaining a small amount to see operations through until closure.

##### Public benefit

In setting their objectives and planning activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

##### **Strategic report**

###### **Achievements and performance**

The successful transfer of all four academies out of the Trust was the main performance objective for 2022-23, to then enable Trustees to undertake the necessary steps of financial reconciliation as they move the Trust to full closure.

##### Going concern

Despite the significant decline in the quality of educational provision – or more likely as a consequence of it – the Trust has amassed a large revenue reserve which since February 2022 has been prioritised for investment in the schools and which has transferred to the new trusts they join, so that this investment can continue.

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future, until the agreed point of closure.

During the current accounting period, the trust's schools have been transferred to other trusts, as follows:

- The Beech Academy transferred to Nexus Multi Academy Trust on 1 September 2022
- The Harlow Academy transferred to Nexus Multi Academy Trust on 1 September 2022
- The Brunts Academy transferred to The Greenwood Academies Trust on 1 December 2022
- The Bramble Academy transferred to The Greenwood Academies Trust on 1 December 2022

This means that the Evolve Trust is no longer a going concern and the going concern concept is not applicable when preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

It is the intention of the trustees that the Evolve Trust will be dissolved by the end of December 2023.

## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

##### **Financial review**

The Trust ended the year with an operating deficit of £432,000 (2022: surplus of £1,408,000) prior to the transfer of the schools out of the trust. Following the transfer of £32,081,000, which represents the transfer of the schools out of the trust, the net movement in funds for the year was £32,513,000. Most of the Academy's recurrent income was obtained from the ESFA in the form of grants, the use of which was restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

At 31 August 2023, the net book value of fixed assets was £nil (2022: £29,824,000) and movements in tangible fixed assets are shown in note 12 to the financial statements. Prior to transfer the assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

##### **Reserves policy**

Further information on the Trusts financial performance and reserves can be found in the financial statements.

Trustees have commissioned the Chief Finance Officer to ensure there is a fair and transparent means of apportioning the Trust reserve to the schools as they transfer out.

##### **Investment policy**

The Trust does not have an investment policy, nor is it likely to adopt one.

##### **Principal risks and uncertainties**

The main risks facing the Trust at the end of the year are associated with the successful transfer of the schools into their new Trusts. With these schools now transferred, and with no outstanding legal claims against the Trust, there are no remaining known risks or uncertainties.

##### **Fundraising**

The academy trust does not use any external fundraisers. No fundraising was undertaken during the year.

##### **Streamlined energy and carbon reporting**

As the Academy Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

##### **Plans for future periods**

The Trustees are aiming to close the company by 31 December 2023.

##### **Funds held as custodian trustee on behalf of others**

The Trust does not hold any funds as custodian trustee on behalf of others.



## **THE EVOLVE TRUST**

### **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

#### **Auditor**

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that 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.

UHY Hacker Young will cease to be auditors on closure of the company shortly after the approval of these financial statements.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 28 November 2023 and signed on its behalf by:



.....  
A Child MBE

**Chair of trustees**

## THE EVOLVE TRUST

### GOVERNANCE STATEMENT

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

##### Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Evolve Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

##### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year and attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
A Child (Chair of trustees)	6	6
C Anwar (Resigned 31 December 2022)	1	3
S Ball (Resigned 31 December 2022)	0	3
J Chaloner (Vice chair of trustees)	5	6
E Grant (Resigned 31 December 2022)	2	3
A Michalska (Resigned 31 December 2022)	1	3
S Westaway (Resigned 31 December 2022)	3	3
W Carratt (Appointed 12 December 2022)	4	4

##### Conflicts of interest

Trustees manage conflicts of interests by having up to date pecuniary interest forms completed (at least annually and updated when required) with individual Trustees responsible for declaring conflicts of interest and managing these as appropriate, such as abstaining from the discussion and voting on any items where a conflict exists.

##### Review of value for money

As Accounting Officer, the chief executive has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

## **THE EVOLVE TRUST**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Working in partnership with the Department for Education, Greenwood Academies Trust and Nexus Multi Academy Trust to ensure that from February 2022 there was a robust package of support in place for the schools in the Evolve Trust;
- Working with SAAF from February 2022 to ensure that the Trust had enhanced financial expertise and oversight during a period of significant change;
- Working in partnership with Fusion HR from February 2022 to ensure that HR practices were robust with policy applied fairly, judiciously and – where necessary – robustly to ensure the Trust and its schools were improving at the required pace.

#### **The purpose of the system of internal control**

Given the Trust was not operating any academies from 1 December 2022, there has been no requirement for internal audit activity to take place.

#### **Capacity to handle risk**

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

#### **The risk and control framework**

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

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

The board of trustees has decided:

- not to appoint an auditor for this purpose.

This option has been chosen because the Trust has been empty for three quarters of the accounting period.

## THE EVOLVE TRUST

### GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 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 Chief Finance Officer
- the work of the external auditor
- regular dialogue with the ESFA

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

Approved by order of the Board of Trustees on 28/11/23 and signed on its behalf by:



A Child MBE  
Chair of trustees



W Carratt  
Accounting Officer

## **THE EVOLVE TRUST**

### **STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023**

---

As Accounting Officer of The Evolve Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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

W Carratt  
Accounting Officer



28 November 2023

## **THE EVOLVE TRUST**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

The Trustees (who are also the directors of The Evolve Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency ("ESFA"), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Trustees are required to:

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

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

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

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

Approved by order of the members of the Board of Trustees on 28/11/23 and signed on its behalf by:



A Child MBE  
Chair of trustees

---

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EVOLVE TRUST  
FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Opinion**

We have audited the financial statements of The Evolve Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

**Basis for opinion**

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

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Conclusions relating to departure from the going concern basis of accounting**

We draw attention to Note 1 to the financial statements which explains that the trust schools were transferred during the year to Nexus Multi Academy Trust and The Greenwood Academies Trust on 1 September 2022 and 1 December 2022 respectively. The trustees consider it to be inappropriate to adopt the going concern basis of accounting in preparing the financial statements for the year ended 31 August 2023. Accordingly, the financial statements have not been prepared under the going concern basis as described in Note 1.2.

The net assets of the trust were transferred at their fair value to Nexus Multi Academy Trust and The Greenwood Academies Trust during the year to 31 August 2023. The entity is no longer active from 1 December 2022 although the trust is still operational until the net assets have been distributed, at which point the trust will be formally dissolved. Our opinion is not modified in respect of this matter.

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

Based on the work we have performed, we have agreed with the Trustees' assessment that the academy trust is not a going concern and they would be unable to continue for at least 12 months from when the financial statements are authorised.

The accounts have been prepared on the basis that all assets are realisable within 12 months of the year end and note 1.2 details this more fully. For comparative purposes the figures have been presented in the same format as prior years in the Balance Sheet, however all assets and liabilities are due within one year.

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

**Other information**

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report (including the strategic report therein) has been prepared in accordance with applicable legal requirements.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE EVOLVE TRUST  
(CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the Trustees are responsible for assessing the Academy 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 Trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the accounts**

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

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

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

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.

Based on our understanding of the charitable company's and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to:

- child protection,
- the funding agreement,
- academies accounts direction 2022-2023,
- the academy trust handbook 2022,
- safeguarding of the assets,
- employment and health and safety regulation,
- anti-bribery, corruption and fraud,

We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to inflated surplus. Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation,
- enquiries of management,
- testing of journals and evaluating whether there was evidence of bias by the senior leadership team that represented a risk of material misstatement due to fraud and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- review of correspondence and reports to the regulator, including correspondence with the Education and Skills Funding Agency

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities (including those relating to going concern) is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

**Use of our report**

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

*Elizabeth Searby*

**Elizabeth Searby (Senior Statutory Auditor)  
for and on behalf of UHY Hacker Young**

*28 November 2023*  
.....

**Chartered Accountants  
Statutory Auditor**

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

In accordance with the terms of our engagement letter and further to the requirements of the Education & 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 Evolve Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and that the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Evolve Trust's accounting officer and the reporting accountant**

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

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

**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 conclusion on regularity.

A limited assurance engagement is limited in scope 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.

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

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

---

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review and enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

**Conclusion**

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

UHY Hacker Young

**Reporting Accountant**

UHY Hacker Young  
14 Park Row  
Nottingham  
NG1 6GR

Dated: 28 November 2023

# THE EVOLVE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	General £'000	Restricted funds: Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	-	(3)	(3)	1,571
Charitable activities:						
- Funding for educational operations	4	-	2,665	-	2,665	15,153
Other trading activities	5	10	10	-	20	128
Investments	6	-	-	-	-	1
<b>Total</b>		<u>10</u>	<u>2,675</u>	<u>(3)</u>	<u>2,682</u>	<u>16,853</u>
<b>Expenditure on:</b>						
Raising funds	7	-	-	-	-	73
Charitable activities:						
- Educational operations	8	-	2,931	183	3,114	15,372
<b>Total</b>	7	<u>-</u>	<u>2,931</u>	<u>183</u>	<u>3,114</u>	<u>15,445</u>
<b>Net income/(expenditure)</b>		10	(256)	(186)	(432)	1,408
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	19	-	-	-	-	12,420
Transfer of existing academies out of the trust	27	(1,771)	80	(30,390)	(32,081)	-
<b>Net movement in funds</b>		<u>(1,761)</u>	<u>(176)</u>	<u>(30,576)</u>	<u>(32,513)</u>	<u>13,828</u>
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>2,087</u>	<u>176</u>	<u>30,576</u>	<u>32,839</u>	<u>19,011</u>
Total funds carried forward		<u>326</u>	<u>-</u>	<u>-</u>	<u>326</u>	<u>32,839</u>

# THE EVOLVE TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	4	1,567	1,571
Charitable activities:					
- Funding for educational operations	4	-	15,153	-	15,153
Other trading activities	5	67	61	-	128
Investments	6	1	-	-	1
<b>Total</b>		<u>68</u>	<u>15,218</u>	<u>1,567</u>	<u>16,853</u>
<b>Expenditure on:</b>					
Raising funds	7	-	73	-	73
Charitable activities:					
- Educational operations	8	-	14,449	923	15,372
<b>Total</b>	7	<u>-</u>	<u>14,522</u>	<u>923</u>	<u>15,445</u>
<b>Net income</b>		68	696	644	1,408
Transfers between funds	17	-	(890)	890	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	12,420	-	12,420
<b>Net movement in funds</b>		68	12,226	1,534	13,828
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>2,019</u>	<u>(12,050)</u>	<u>29,042</u>	<u>19,011</u>
Total funds carried forward		<u>2,087</u>	<u>176</u>	<u>30,576</u>	<u>32,839</u>

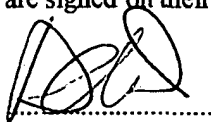
# THE EVOLVE TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Intangible assets	12	-	7
Tangible assets	13	-	29,824
			<u>29,831</u>
<b>Current assets</b>			
Debtors	14	10	1,537
Cash at bank and in hand		340	7,228
		<u>350</u>	<u>8,765</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	15	(24)	(2,191)
<b>Net current assets</b>		<u>326</u>	<u>6,574</u>
<b>Net assets excluding pension liability</b>		<u>326</u>	<u>36,405</u>
Defined benefit pension scheme liability	19	-	(3,566)
<b>Total net assets</b>		<u><u>326</u></u>	<u><u>32,839</u></u>
<b>Funds of the Academy Trust:</b>			
<b>Restricted funds</b>	17		
- Fixed asset funds		-	30,576
- Restricted income funds		-	3,742
- Pension reserve		-	(3,566)
<b>Total restricted funds</b>		<u>-</u>	<u>30,752</u>
<b>Unrestricted income funds</b>	17	<u>326</u>	<u>2,087</u>
<b>Total funds</b>		<u><u>326</u></u>	<u><u>32,839</u></u>

The accounts on pages 20 to 48 were approved by the Trustees and authorised for issue on 29/11/23 and are signed on their behalf by:



A Child

Chair of trustees

Company registration number 07827747 (England and Wales)



**THE EVOLVE TRUST**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

		2023	2022
	Notes	£'000	£'000
<b>Cash funds transferred out of trust</b>	<b>27</b>	(5,219)	-
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(1,463)	2,864
		(6,682)	2,864
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		-	1
Capital grants from DfE Group		-	803
Purchase of tangible fixed assets		(206)	(1,807)
<b>Net cash used in investing activities</b>		(206)	(1,003)
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>		(6,888)	1,861
Cash and cash equivalents at beginning of the year		7,228	5,367
<b>Cash and cash equivalents at end of the year</b>		340	7,228

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

##### 1.2 Going concern

During the current accounting period, the trust's schools have been transferred to other trusts, as follows:

- The Beech Academy transferred to Nexus Multi Academy Trust on 1 September 2022
- The Harlow Academy transferred to Nexus Multi Academy Trust on 1 September 2022
- The Brunts Academy transferred to The Greenwood Academies Trust on 1 December 2022
- The Bramble Academy transferred to The Greenwood Academies Trust on 1 December 2022

This means that the Evolve Trust is no longer a going concern.

It is the intention of the trustees that the Evolve Trust will be dissolved by the end of December 2023.

This means that the Evolve Trust is no longer a going concern and the accounts have been prepared on an alternative basis.

The alternative basis of preparation means that assets at 31 August 2023 are stated at their estimated recoverable amounts. The corresponding liabilities are stated at the estimated amounts realisable.

The assets and liabilities of the Trust have been disclosed in line with their historic comparatives to give a better understanding of the position.

##### 1.3 Income

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

##### Grants

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

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Capital grants received (including unspent amounts) 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.

##### Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

##### Donations

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

##### Other income

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

##### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. This income is recognised within 'Income from other trading activities'.

##### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

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

All resources expended are inclusive of irrecoverable VAT where applicable.

# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 1 Accounting policies

(Continued)

##### Expenditure on raising funds

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

##### Charitable activities

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

#### 1.5 Intangible fixed assets and amortisation

Intangible assets costing £3,000 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 fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 3 years

#### 1.6 Tangible fixed assets and depreciation

Assets costing £3,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	Buildings - 2% - Land - not depreciated
Improvements to leasehold	4-10%
Computer equipment	33.3%
Fixtures, fittings & equipment	12.5%
Motor vehicles	25%

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. Any impairment losses are recognised in the statement of financial activities.

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

##### 1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods of services it must provide.

##### 1.8 Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

##### 1.9 Financial instruments

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

###### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

###### Financial liabilities

Trade creditors and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security plus accruals 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.

##### 1.10 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

##### 1.11 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust. Further details on these schemes are detailed in note 19.

The 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 are recognised in the period to which they relate.

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 1 Accounting policies

(Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds.

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

The amounts charged to net income or expenditure 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 or asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

During the year ended 31 August 2023 the LPGS pension deficit was transferred, along with the related schools, to Nexus Multi Academy Trust and The Greenwood Academies Trust. The transfer value was equivalent to the actuarial valuation of the scheme used in the financial statements for the year ended 31 August 2022.

##### 1.12 Fund accounting

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

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

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

##### 1.13 Agency arrangements

The Trust acts as an agent in distributing the 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 26.

#### 2 Critical accounting estimates and areas of judgement

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

## THE EVOLVE TRUST

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

---

#### 2 Critical accounting estimates and areas of judgement

(Continued)

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

##### Pension scheme liabilities

During the year ended 31 August 2023 the LGPS pension scheme deficit was transferred out of the trust. This means that there was no requirement for an actuarial valuation as at 31 August 2023 and the balance on the pension reserve is £nil. In relation to the prior period to 31 August 2022, the following comments apply:

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 as set out in note 19.

A key assumptions used in determining the net cost or income for pensions is the discount rate applied. Under FRS102 the discount rate is determined by reference to market yields at the year-end date on high quality corporate bonds. On this basis the trust's actuary has calculated a discount rate of 4.25% at 31 August 2022 which is significantly higher than the discount rate used at 31 August 2021. The impact of the movement in the discount rate is to decrease the defined benefit obligations by approximately 47% compared to 2021. This decrease has a direct impact on the quantification of the overall pension deficit reported in these financial statements at 31 August 2022. Any changes in these assumptions, which are disclosed in note 19, 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 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, details of the assumptions used are detailed in note 19.

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 EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Capital grants	-	(3)	(3)	1,567
Other donations	-	-	-	4
	<u>-</u>	<u>(3)</u>	<u>(3)</u>	<u>1,571</u>

The reduction in income from funding for educational operations was £3,000 (2022: £1,571,000 income) all of which was restricted (2022: all restricted).

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	2,366	2,366	10,810
Other DfE/ESFA grants:				
Pupil premium	-	108	108	511
Teachers pension grant	-	8	8	24
Supplementary grant	-	67	67	111
National College grants	-	-	-	4
Others	-	55	55	154
	<u>-</u>	<u>2,604</u>	<u>2,604</u>	<u>11,614</u>
<b>Other government grants</b>				
Local authority grants	-	61	61	3,450
	<u>-</u>	<u>61</u>	<u>61</u>	<u>3,450</u>
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Catch-up premium	-	-	-	81
Other DfE/ESFA COVID-19 funding	-	-	-	8
	<u>-</u>	<u>-</u>	<u>-</u>	<u>89</u>
<b>Total funding</b>	<u>-</u>	<u>2,665</u>	<u>2,665</u>	<u>15,153</u>

Funding for academy trust's educational operations was £2,665,000 (2022: £15,153,000) all of which was restricted (2022: all was restricted).



# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Income from other charitable activities	-	10	10	61
Income from ancillary trading activities	10	-	10	67
	<u>10</u>	<u>10</u>	<u>20</u>	<u>128</u>

The income from other trading activities was £20,000 (2022: £128,000), of which £10,000 was unrestricted (2022: £67,000) and £10,000 was restricted (2022: £61,000).

#### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	-	-	-	1

Investment income in year ended 31 August 2023 was £nil (2022: £1,000), of which £nil (2022: £1,000) related to unrestricted funds and £nil related to restricted funds (2022: £nil).

#### 7 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2023 £'000	Total 2022 £'000
		Premises £'000	Other £'000		
Expenditure on raising funds					
- Direct costs	-	-	-	-	73
Academy's educational operations					
- Direct costs	1,589	-	408	1,997	10,202
- Allocated support costs	135	410	572	1,117	5,170
	<u>1,724</u>	<u>410</u>	<u>980</u>	<u>3,114</u>	<u>15,445</u>

Expenditure in year ended 31 August 2023 totalled £3,114,000 (2022: £15,445,000), of which £1,724,000 (2022: £11,356,000) related to staff costs, £410,000 (2022: £1,697,000) related to premises costs and £980,000 (2022: £2,392,000) related to other expenditure.

**THE EVOLVE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

<b>7 Expenditure</b>		<b>(Continued)</b>	
<b>Net income/(expenditure) for the year includes:</b>		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
Fees payable to auditor for:			
- Audit		18	23
- Other services		-	1
Operating lease rentals		1	46
Depreciation of tangible fixed assets		183	915
Amortisation of intangible fixed assets		-	8
Net interest on defined benefit pension liability		-	238
		<u>          </u>	<u>          </u>
<b>8 Charitable activities</b>		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
All from restricted funds:			
<b>Direct costs</b>			
Educational operations		1,997	10,202
<b>Support costs</b>			
Educational operations		1,117	5,170
		<u>          </u>	<u>          </u>
		3,114	15,372
		<u>          </u>	<u>          </u>
		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>			
Support staff costs		135	2,205
Depreciation and amortisation		183	923
Premises costs		227	774
Legal costs		458	273
Other support costs		91	972
Governance costs		23	23
		<u>          </u>	<u>          </u>
		1,117	5,170
		<u>          </u>	<u>          </u>

# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Staff

#### Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	1,156	6,807
Social security costs	114	640
Pension costs	237	2,446
Staff costs - employees	1,507	9,893
Agency staff costs	217	1,449
Staff restructuring costs	-	14
Total staff expenditure	1,724	11,356

Staff restructuring costs comprise:

Redundancy payments	-	14
Ex-gratia payment	-	3

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	25	114
Administration and support	15	170
Management	-	2
	40	286

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	-	4
£90,001-£100,000	-	2

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

#### 9 Staff

(Continued)

##### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £111,821 (2022: £449,253).

#### 10 Trustees' remuneration and expenses

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

Expenses of £178 (2022: £98) was paid to J Chaloner (2022: A Child MBE) for travel costs.

#### 11 Trustees' and officers' insurance

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officer's indemnity element from the overall cost of the RPA scheme membership.

#### 12 Intangible fixed assets

	Computer software £'000
<b>Cost</b>	
At 1 September 2022	86
Transfers	(86)
	<hr/>
At 1 September 2022 and at 31 August 2023	-
	<hr/>
<b>Amortisation</b>	
At 1 September 2022	(79)
Transfers	79
At 1 September 2022 and at 31 August 2023	-
	<hr/>
<b>Carrying amount</b>	
At 31 August 2023	-
	<hr/>
At 31 August 2022	7
	<hr/>

**THE EVOLVE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**13 Tangible fixed assets**

	Land and buildings	Improvements to leasehold	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>						
At 1 September 2022	29,841	2,752	1,389	1,067	25	35,074
Transfer	(29,841)	(2,819)	(1,427)	(1,168)	(25)	(35,280)
Additions	-	67	38	101	-	206
At 31 August 2023	-	-	-	-	-	-
<b>Depreciation</b>						
At 1 September 2022	2,945	1,025	734	521	25	5,250
Transfer	(3,012)	(1,078)	(778)	(540)	(25)	(5,433)
Charge for the year	67	53	44	19	-	183
At 31 August 2023	-	-	-	-	-	-
<b>Net book value</b>						
At 31 August 2023	-	-	-	-	-	-
At 31 August 2022	26,896	1,727	655	546	-	29,824

**14 Debtors**

	2023 £'000	2022 £'000
Trade debtors	6	15
VAT recoverable	4	207
Other debtors	-	7
Prepayments and accrued income	-	1,308
	10	1,537

**15 Creditors: amounts falling due within one year**

	2023 £'000	2022 £'000
Trade creditors	24	1,496
Other creditors	-	40
Accruals and deferred income	-	655
	24	2,191

**THE EVOLVE TRUST**

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

**16 Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income is included within:		
Creditors due within one year	-	72
	<u>          </u>	<u>          </u>
Deferred income at 1 September 2022	72	151
Released from previous years	(72)	(151)
Resources deferred in the year	-	72
	<u>          </u>	<u>          </u>
Deferred income at 31 August 2023	-	72
	<u>          </u>	<u>          </u>

Included in the above is £nil (2022: £23,426) relating to deferred school trip income, £nil (2022: £9,083) relating to Universal Infant Free School Meals, £nil (2022: £4,682) relating to deferred grants, £nil (2022: £26,816) relating to rates refunds and £nil (2022: £8,429) relating to other deferred income.

# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	3,742	2,366	(2,622)	(3,486)	-
Pupil premium	-	108	(108)	-	-
Other DfE/ESFA grants	-	130	(130)	-	-
Other government grants	-	61	(61)	-	-
Other restricted funds	-	10	(10)	-	-
	<u>3,742</u>	<u>2,675</u>	<u>(2,931)</u>	<u>(3,486)</u>	<u>-</u>
Funds excluding pensions	3,742	2,675	(2,931)	(3,486)	-
Pension reserve	(3,566)	-	-	3,566	-
	<u>176</u>	<u>2,675</u>	<u>(2,931)</u>	<u>80</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
DfE capital grants	30,576	(3)	(183)	(30,390)	-
	<u>30,576</u>	<u>(3)</u>	<u>(183)</u>	<u>(30,390)</u>	<u>-</u>
<b>Total restricted funds</b>	<u>30,752</u>	<u>2,672</u>	<u>(3,114)</u>	<u>(30,310)</u>	<u>-</u>
<b>Unrestricted funds</b>					
General funds	2,087	10	-	(1,771)	326
	<u>2,087</u>	<u>10</u>	<u>-</u>	<u>(1,771)</u>	<u>326</u>
<b>Total funds</b>	<u>32,839</u>	<u>2,682</u>	<u>(3,114)</u>	<u>(32,081)</u>	<u>326</u>

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

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency or Department for Education or sponsor or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency or Department for Education.

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

**THE EVOLVE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**17 Funds**

**(Continued)**

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,256	10,810	(8,434)	(890)	3,742
Pupil premium	211	511	(722)	-	-
Teachers Pension Grant	-	24	(24)	-	-
Catch-up premium	-	81	(81)	-	-
Other DfE/ESFA COVID-19 funding	-	8	(8)	-	-
Other DfE/ESFA grants	-	269	(269)	-	-
Other government grants	153	3,450	(3,603)	-	-
Other restricted funds	84	65	(149)	-	-
Pension reserve	(14,754)	-	(1,232)	12,420	(3,566)
	<u>(12,050)</u>	<u>15,218</u>	<u>(14,522)</u>	<u>11,530</u>	<u>176</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	29,042	1,567	(923)	890	30,576
	<u>29,042</u>	<u>1,567</u>	<u>(923)</u>	<u>890</u>	<u>30,576</u>
<b>Total restricted funds</b>	<u>16,992</u>	<u>16,785</u>	<u>(15,445)</u>	<u>12,420</u>	<u>30,752</u>
<b>Unrestricted funds</b>					
General funds	2,019	68	-	-	2,087
	<u>2,019</u>	<u>68</u>	<u>-</u>	<u>-</u>	<u>2,087</u>
<b>Total funds</b>	<u>19,011</u>	<u>16,853</u>	<u>(15,445)</u>	<u>12,420</u>	<u>32,839</u>

**Total funds analysis by academy**

Following the implementation of GAG pooling across all academies, all fund were held centrally.



# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Funds

(Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
The Brunts Academy	1,377	119	294	413	2,203	7,355
The Beech Academy	-	-	-	-	-	1,854
The Bramble Academy	182	19	70	133	404	1,116
The Harlow Academy	-	-	-	-	-	2,614
Central services	29	(3)	43	255	324	1,583
	<u>1,588</u>	<u>135</u>	<u>407</u>	<u>801</u>	<u>2,931</u>	<u>14,522</u>

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000
The Brunts Academy	5,137	941	565	712	7,355
The Beech Academy	1,260	253	127	214	1,854
The Bramble Academy	670	150	105	191	1,116
The Harlow Academy	1,795	497	90	232	2,614
Central services	289	364	164	766	1,583
	<u>9,151</u>	<u>2,205</u>	<u>1,051</u>	<u>2,115</u>	<u>14,522</u>

#### 18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Current assets	350	-	-	350
Current liabilities	(24)	-	-	(24)
<b>Total net assets</b>	<u>326</u>	<u>-</u>	<u>-</u>	<u>326</u>

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Intangible fixed assets	-	-	7	7
Tangible fixed assets	-	-	29,824	29,824
Current assets	2,087	5,933	745	8,765
Current liabilities	-	(2,191)	-	(2,191)
Pension scheme liability	-	(3,566)	-	(3,566)
<b>Total net assets</b>	<b>2,087</b>	<b>176</b>	<b>30,576</b>	<b>32,839</b>

#### 19 Pension and similar obligations

During the year ended 31 August 2023 the LPGS pension deficit was transferred, along with the related schools, to Nexus Multi Academy Trust and The Greenwood Academies Trust. The transfer value was equivalent to the actuarial valuation of the scheme used in the financial statements for the year ended 31 August 2022.

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottingham County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

##### Teachers' Pension Scheme

###### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

---

#### 19 Pension and similar obligations

(Continued)

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to the TPS in the period amounted to £194,810 (2022: £966,475).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

**THE EVOLVE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**19 Pension and similar obligations (Continued)**

<b>Total contributions made</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Employer's contributions	-	488
Employees' contributions	-	140
<b>Total contributions</b>	<b>-</b>	<b>628</b>

During the year ended 31 August 2023 Employer's contributions were £48,000 and Employee's contributions were £14,000.

<b>Principal actuarial assumptions</b>	<b>2023 %</b>	<b>2022 %</b>
Rate of increase in salaries	-	3.9
Rate of increase for pensions in payment/inflation	-	2.9
Discount rate for scheme liabilities	-	4.25
Inflation assumption (CPI)	-	2.9

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

	<b>2023 Years</b>	<b>2022 Years</b>
Retiring today		
- Males	-	21.7
- Females	-	24.4
Retiring in 20 years		
- Males	-	23.0
- Females	-	25.8

# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023 £'000	2022 £'000
Discount rate + 0.1%	-	(352)
Discount rate - 0.1%	-	361
Mortality assumption + 1 year	-	395
Mortality assumption - 1 year	-	(384)
CPI rate + 0.1%	-	339
CPI rate - 0.1%	-	(329)
Long term salary + 0.1%	-	26
Long term salary - 0.1%	-	(26)
	<u>          </u>	<u>          </u>

#### The Academy Trust's share of the assets in the scheme

	2023 Fair value £'000	2022 Fair value £'000
Equities	-	5,939
Gilts	-	239
Other bonds	-	699
Cash and other liquid assets	-	579
Property	-	1,468
Other assets	-	1,207
	<u>          </u>	<u>          </u>
Total market value of assets	-	10,131
	<u>          </u>	<u>          </u>

The actual return on scheme assets was deficit £- (2022: £(62,000) surplus).

#### Amount recognised in the statement of financial activities

	2023 £'000	2022 £'000
Current and past service cost	-	1,477
Interest income	-	(166)
Interest cost	-	404
Administration expenses	-	5
	<u>          </u>	<u>          </u>
Total operating charge	-	1,720
	<u>          </u>	<u>          </u>

**THE EVOLVE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**19 Pension and similar obligations**

**(Continued)**

<b>Changes in the present value of defined benefit obligations</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
At 1 September 2022	13,697	24,571
Transferred out on existing academies leaving the Academy Trust	(13,697)	-
Current service cost	-	1,477
Interest cost	-	404
Employee contributions	-	140
Actuarial gain	-	(12,648)
Benefits paid	-	(247)
At 31 August 2023	-	13,697
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
At 1 September 2022	10,131	9,817
Transferred out on existing academies leaving the Academy Trust	(10,131)	-
Interest income	-	166
Actuarial (gain)/loss	-	(228)
Employer contributions	-	488
Employee contributions	-	140
Benefits paid	-	(247)
Administration expenses	-	(5)
At 31 August 2023	-	10,131

# THE EVOLVE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 20 Reconciliation of net (expenditure)/income to net cash flow from operating activities

	Notes	2023 £'000	2022 £'000
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(432)	1,408
Adjusted for:			
Capital grants from DfE and other capital income		3	(1,567)
Investment income receivable	6	-	(1)
Defined benefit pension costs less contributions payable	19	-	994
Defined benefit pension scheme finance cost	19	-	238
Depreciation of tangible fixed assets		183	915
Amortisation of intangible fixed assets	12	-	8
Decrease/(increase) in debtors		950	(399)
(Decrease)/increase in creditors		(2,167)	1,268
<b>Net cash (used in)/provided by operating activities</b>		<b>(1,463)</b>	<b>2,864</b>

#### 21 Analysis of changes in net funds

	1 September 2022 £'000	Cash flows £'000	31 August 2023 £'000
Cash	7,228	(6,888)	340

#### 22 Long-term commitments

##### Operating leases

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

	2023 £'000	2022 £'000
Amounts due within one year	-	25
Amounts due in two and five years	-	25
	-	50

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 AUGUST 2023

#### 23 Capital commitments

	2023	2022
	£'000	£'000
Expenditure contracted for but not provided in the accounts	-	1,090

#### 24 Related party transactions

Owing to the nature of the Academy Trust 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 the Trustees have an interest. The following related party transactions took place in the financial period.

##### Expenditure related party transactions

Transactions with Greenwood Academies Trust related to CEO support and staff from Greenwood Academies Trust to support the education at the Evolve Trust. The total costs were £76,677 (2022: £73,065). Amounts owed at the year end to the related party was £1,330 (2022: £47,611).

W Norrie was the Accounting Officer from 31 January 2022 to 31 July 2022. At this point Greenwood Academies Trust is a related party as W Norrie was also the Accounting Officer and CEO there. Transactions with Greenwood Academies Trust related to CEO support and staff from Greenwood Academies Trust to support the education at the Evolve Trust. The total costs were £nil (2022: £73,065). Additional amounts of £3,239,691 were paid in relation to the transfer of funds relating to the schools transferred to the Greenwood Academies Trust. Amounts owed at the year end to the related party were £nil (2022: £47,611). Expenses of £nil (2022: £79) were paid in the year to W Norrie for mileage.

J Chaloner, the vice chair, was paid a total of £178 in travel expenses during the year.

During the prior year the then CEO's (C Cuthbert) spouse was hired as an employee at the Evolve Trust as a caretaker on a short term basis. Conflicts of interest were managed and the pay was determined independently of the then CEO. Amounts paid totalled £19,063 in the prior year.

In the prior year, D McVean, a former trustee, was appointed Chief Operating Officer on 23 May 2022 and was paid through their company DSDN Consultancy Limited. These services commenced on 23 May 2022. The total costs were £nil (2022: £27,051). The amount owed to the related party at the year end was £nil (2022: £16,714).

A Brown was appointed the Chief Finance Officer from 31 March 2022. At this point SAAF Finance Limited, SAAF Supply Limited and SAAF Payroll Limited became related parties, being companies A Brown controls. Transactions related to CFO support, finance function support, payroll support and the year end procedures. Total costs were £122,790 (2022: £212,168). Amounts owed at the year end to the related parties were £nil (2022: £38,046).



## **THE EVOLVE TRUST**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

#### **FOR THE YEAR ENDED 31 AUGUST 2023**

---

#### **24 Related party transactions**

**(Continued)**

A Child MBE was appointed as chair of Trustees on 31 January 2022 and W Carratt was appointed Chief Executive Officer from 1 August 2022. Both hold the same respective positions at Nexus Multi-Academy Trust which became a related party from 31 January 2022. Transactions related to CEO support and staff from Nexus Multi Academy Trust to support the education at the Evolve trust. Total costs were £38,698 (2022: £234,634). Additional amounts of £1,977,152 were paid in relation to the transfer of funds relating to the schools transferred to the Nexus Multi-Academy Trust. Amounts owed to the related party at the year end were £nil (2022: £177,107). Expenses of £nil (2022: £98) was paid to A Child MBE for mileage.

In the prior year, the ESFA gave prior approval for the appointment of W Norrie, and A Brown. Approval for W Carratt was given on 23 August 2022. Retrospective approval for other transactions with Greenwood Academies Trust, Nexus Multi-Academy Trust, SAAF Finance Limited, SAAF Supply Limited and SAAF Payroll Limited was requested. Approval was not granted for the other transactions. The ESFA have been made aware of extenuating circumstances surrounding the appointments. The ESFA acknowledged decisive actions were needed, however, they have not approved the transactions retrospectively based on the grounds of the information submitted. The ESFA have stated that no further action will be taken and the decision not to approve the transactions should not dissuade the trust from continuing or entering with the arrangements with Nexus Multi-Academy Trust, Greenwood Academies Trust or SAAF Finance Limited, SAAF Supply Limited and SAAF Payroll Limited.

#### **25 Members' liability**

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

#### **26 Agency arrangements**

The Trust distributes the 16-19 Bursary Funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the Trust received £10,739 (2022: £18,895) and disbursed £10,739 (2022: £16,801) from the fund. An amount of £nil (2022: £15,957) is included in other creditors relating to undistributed funds that is potentially repayable to ESFA.

## THE EVOLVE TRUST

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

#### 27 Transfer of existing academies out of the Academy Trust

##### **The Beech Academy and Harlow Academy**

The Beech Academy and The Harlow Academy transferred to the Nexus Multi Academy Trust on 1 September 2022.

	<b>2023</b>
<b>Net assets transferred</b>	<b>£'000</b>
Cash and cash equivalents	1,980
Freehold land and buildings	13,386
Leasehold land and buildings	212
Other tangible fixed assets	618
Pension scheme	(845)
	<hr/>
Total net assets	15,351
	<hr/> <hr/>

##### **The Brunts Academy and The Bramble Academy**

The Brunts Academy and The Bramble Academy transferred to The Greenwood Academies Trust on 1 December 2022.

	<b>2023</b>
<b>Net assets transferred</b>	<b>£'000</b>
Cash and cash equivalents	3,239
Freehold land and buildings	14,041
Leasehold land and buildings	1,590
Other tangible fixed assets	581
Pension scheme	(2,721)
	<hr/>
Total net assets	16,730
	<hr/> <hr/>
Total transfer	32,081
	<hr/> <hr/>