

Company registration number 08707909 (England and Wales)

**ACTIVATE LEARNING EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022**

ACTIVATE LEARNING EDUCATION TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 11
Governance statement	12 - 15
Statement on regularity, propriety and compliance	16
Statement of trustees' responsibilities	17
Independent auditor's report on the accounts	18 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities including income and expenditure account	24 - 25
Balance sheet	26
Statement of cash flows	27
Notes to the accounts including accounting policies	28 - 47

ACTIVATE LEARNING EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members
Activate Learning Corporation
D Kilshaw
R Venchard

Trustees
C Ashby (Chair) (Appointed 19 January 2022)
N Evans (Chair of Finance Committee)
D Carr
R Cave
A McCall
K Mitchell
C Pearson
J Harper (Appointed 19 January 2022)
L Nicholls (Appointed 24 February 2022)
S Dicketts (Chair) (Resigned 31 March 2022)
G Headland (Co-Chair) (Appointed 1 April 2022 and resigned 31 May 2022)

Senior management team

- Chief Executive Officer	J Harper
- Chief Financial Officer	M Ratcliffe
- Head Teacher	T Rushworth
- Principal	J Halliday
- Principal	J Nicholls
- Principal	J Oliver (Resigned 31 August 2022)
- Principal	W Edwards
- Principal	S Knowlton

Company registration number 08707909 (England and Wales)

Registered office
Oxpens Campus
Oxpens Road
Oxford
OX1 1SA

Academies operated

The Bicester School
UTC Reading
UTC Oxfordshire
UTC Swindon
Theale Green School
UTC Heathrow

Location

Bicester
Reading
Harwell
Swindon
Reading
Northwood

Principal

T Rushworth
J Nicholls
S Knowlton
S Knowlton
J Halliday
W Edwards

Independent auditor

Alliotts LLP
Imperial House
8 Kean Street
London
WC2B 4AS

Bankers

Lloyds Bank
1 - 5 High Street
Oxford
OX1 4AA

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Background

On 1 August 2015 The Bicester School joined the Trust (previously known as Bicester Community College). The Trust opened a new school, Bicester Technology Studio, which accepted its first pupils in year 10 and year 12 in September 2016. UTC Reading and UTC Oxfordshire joined the Trust on April 2017, Swindon UTC joined the Trust in September 2017, Theale Green School joined the Trust in April 2018 and UTC Heathrow joined the Trust in September 2018. In September 2021 The Bicester School and Bicester Technology Studio merged. Pupils are admitted to the schools based on appropriate entry requirements being met.

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 Activate Learning Education Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

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

There were no known indemnities due in the financial year.

Method of recruitment and appointment or election of trustees

The Members may appoint up to 10 Trustees provided that in making such appointments the Members shall ensure that nominees of the Industry Partners and Academic Partner form a majority of the total number of Trustees.

The Members may appoint Staff Governors through such process as they may determine, provided that the total number of Trustees (including the Chief Executive Officer) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

Policies and procedures adopted for the induction and training of trustees

Trustees are inducted and are offered training and mentorship to enable them to enact their duties to the best of their ability.

Organisational structure

The Trustees shall exercise their powers and functions with a view to fulfilling a largely strategic role in the running of the Academy Trust and shall consider any advice given by the Chief Executive Officer.

The Chief Executive Officer is responsible for the internal organisation, management and control of the Academy Trust; and for advising on and implementing the Academy Trust's strategic framework. In particular, the Chief Executive Officer will formulate aims and objectives, policies and targets for the Board to consider adopting.

The role of the Accounting Officer is a personal responsibility for the propriety and regularity of the public finances for which they are answerable; for the keeping of proper accounts; for prudent and economical administration; for the avoidance of waste and extravagance; for ensuring value for money; and for the efficient and effective use of all the resources in their charge.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Arrangements for setting pay and remuneration of key management personnel

The Governor Trustees of the Trust receive no remuneration other than the reimbursement of evidenced out of pocket expenses.

Staff members who are key to management personnel, other than the Chief Executive Officer, have their pay reviewed annually against performance criteria.

Activate Learning is the lead sponsor and 1 Trustee is an executive director of Activate Learning. The lead sponsor provides shared services to the Trust.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	6
Full-time equivalent employee number	5.00

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	6
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	3,359
Total pay bill	15,917,862
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	10%
---	-----

Engagement with employees

- A half termly newsletter is sent to every employee (6 times a year), which gives information to each employee on the work of the Trust. This includes the Strategic Plan, progress against key performance indicators, the work of the Local Governing Committees and The Trust Board.
- Employees are consulted on any relevant business changes, either via the Trust or via the schools individual leadership team when changes are related to one school only. Annual staff surveys are carried out in each school and the Trust uses the Gallup12 survey annually and reports its results at the Annual Trust Conference, attended by all employees.
- Employee performance targets are aimed at delivering against the Trust's Key Performance Indicators as stated in the Strategic Plan.
- The Chief Executive Officer, updates all employees on the financial performance of the Trust, based upon student recruitment via the newsletter. This message is delivered with a call to action to all employees on the impact they can have on the financial performance in the coming twelve months.

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

The Trust, through its central team and Business Support teams holds strong relationships with suppliers, customers and other key stakeholders. These relationships are formed through strong Service Level Agreements that leave little room for debate, questioning or complications. Thus, strong relationships grow through a clear expectation that all of the employees demonstrate behaviours that promote a professional courtesy at all times; failure to do so would be dealt with via a number of Trust policies.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

Objects and aims

The Academy Trust's object is 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 catchment areas for each school include a number of factors:

- Bicester School - priority is given based on the primary schools attended, where are more applications priority will be given to those children who live closest to the school by the shortest designated public route as defined on the Oxfordshire County Council's Directorate for Children, Education & Families' Geographic Information System
- UTC Heathrow - priority is given to pupils within an 8 mile radius of the school
- UTC Oxfordshire, UTC Reading and UTC Swindon - places are allocated based on certain postcodes
- Theale Green School - priority is given to those pupils within a specific geographical area

Objectives, strategies and activities

The Academy Trust intends to ensure that all students go into employment, further/higher education or training. The strategy to achieve this will include strong Alumni with talks from past students inspiring current students.

A summary of key achievements is shown on page 5.

Public benefit

The vision is to 'transform lives through learning' by igniting confidence, expanding opportunities, energising the community and generating prosperity. Through our Learning Philosophy and core values of empowerment, enterprise, connectedness and transformation, we will provide our students and staff with a safe and supportive environment in which to thrive. In setting our objectives and planning our activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

Promoting the success of the Company

The Trust, through reporting available from the Executive Team, including the Chief Executive Officer, Chief Financial Officer and external expertise, as appropriate are able to model any likely consequence and long-term effects of decisions made. The Trust also holds a risk register which it considers at each meeting to capture any possible negative consequences to the Trust of decisions made. The Trust also consults relevant stakeholders on key business decisions and takes into consideration the responses of such consultations.

The Trustees are fully aware that reputation is everything for the success of the Trust and regularly receive reports from the Marketing and Public Relations lead for the Trust as well as regularly surveying students and parents to identify good practice and any areas of concern that will be added to the school action plans the following year.

The Trustees receive regular benchmarking data across the Trust and from other similar size Trusts to ensure that our individual schools are treated fairly across the Trust.

Strategic report

Achievements and performance

Achievements and performance

This financial year the key achievements of the Academy Trust were:

- Strong financial controls, including systems and processes, strong internal audits, resulting in very good value for money;
- Succession Planning across the leadership of the Trust resulting in 4.6 Executive Principals, holding statutory headship roles for 6 schools and a wider Trust wide portfolio of work, plus appointment of Head of Schools to manage the day to day operations of the schools.
- Strong governance, including support for Link Governors from the CEO and Head of Governance, strategic events and sharing of good practice across the Trust.
- Global award for its work with employer engagement, in particular data centres.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key performance indicators

Key Performance Indicators have been set to achieve student recruitment numbers to capacity, good or better teaching and learning, annual student attainment targets and above national average student attendance.

Academic Year 2021/2022	7	8	9	10	11	12	13	14	Total
TBS	196	205	273	262	224	69	73	0	1,302
TGS	148	107	129	88	74	49	58	0	653
UTCR	0	0	0	124	124	114	120	0	482
UTCO	0	0	0	109	101	87	56	0	353
UTCH	0	0	0	44	46	93	61	0	244
UTCS	0	0	1	58	49	40	30	2	180
Total	344	312	403	685	618	452	398	2	3,214

Recruitment across the Trust remains on an upwards trajectory and heading towards the Strategic Plan KPI of 4000 students by 2025.

Year 11 Academic Achievements:

%	ALET	UTC H	UTC O	UTC R	UTC S	TBS	TGS
L2 basics 4+ (EnMa) Target	72.7	71	70	76	67	74	78
L2 basics 4+ (EnMa)	63.7	67.4	69.3	60.3	43.8	64.6	77
4+ En (lang or lit)	74.2	73.9	76.2	66.1	56.3	79.4	93.2
4+ Ma	72.8	82.6	77.2	73.6	58.3	66.8	78.4

%	ALET	UTC H	UTC O	UTC R	UTC S	TBS	TGS
L2basics 5+ (EnMa) Target	48.0	47	43	54	38	51	55
L2basics 5+ (EnMa)	39.5	32.6	40.6	44.6	25	41.7	52.7
5+ En (lang or lit)	52.6	43.5	52.5	50.4	33.3	61.4	74.3
5+ Ma	52.1	54.3	50.5	60.3	37.5	49.3	60.8

%	ALET	UTC H	UTC O	UTC R	UTC S	TBS	TGS
L2basics 7+ (EnMa) Target	10.3	15	4	14	4	5	20
L2basics 7+ (EnMa)	7.9	2.2	7.9	11.6	2.1	10.3	13.5
7+ En (lang or lit)	13.1	8.7	14.9	12.4	6.3	15.7	20.3
7+ Ma	18.8	17.4	17.8	34.7	6.3	17.5	18.9

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Although not all comprehensive and UTCs met the FFT50 board target of 4+ English and Maths, most have met or are close to meeting FFT50 5+ English and Maths. Note - In some UTCs where there are smaller cohorts, one student equates to a higher percentage.

UTCR is identified as not having met at least FFT50 target however, they are in line with national data for UTC 4+ English and Maths,

TGS has performed exceptionally well in 4+ and 5+ English Maths and in general across the board.

Post 16 Academic Achievements:

KS5	ALET	UTC H	UTC O	UTC R	UTC S	TBS	TGS
On Roll	367	54	53	112	24	72	52
Male	261 (71%)	49 (91%)	48 (91%)	92 (82%)	20 (83%)	33 (46%)	19 (36%)
Female	107 (29%)	5 (9%)	5 (9%)	20 (18%)	4 (17%)	39 (54%)	34 (64%)
Disadvantaged							
PP	29 (8%)	8 (15%)	5 (9%)	1 (1%)	5 (21%)	3 (4%)	7 (13%)
SEN	75 (20%)	11 (21%)	13 (25%)	30 (27%)	19 (79%)	1 (1%)	1 (2%)
LAC	2 (<1%)	1 (2%)	0	0	0	1 (1%)	0

KS5 has a significantly higher number of male pupils in our UTC's. There are many students identified as SEN at UTCs (79%).

Avg Grade	ALET	UTC H	UTC O	UTC R	UTC S	TBS	TGS
Overall	C-	C-	C+	C-	D+	C	C
A Level Target	C+	C	B-	C	A-	C	B
A Level	C-	C	B-	D+	E	B-	C
Academic	C-	C	C+	D+	E	B-	C
Applied Gen	Dist-	Dist*	Dist+	Merit+	Dist	Merit	Dist-
Vocational Target	Merit+	M+	D-	D-	M	-	-
Tech Level	Pass+	Merit	Merit+	Dist-	Merit+	-	-

Overall, we do have some schools who have not met targets set for the academic year. However, we do have successes within each institute which are positive outcomes.

UTCH and UTCO met A Level targets, with TBS school exceeding this. UTCR and UTCS met Vocational target.

For all our Key Stage 5 Cohort, the Summer 2022 examinations will have been the first set of formal public examinations they have sat since their Key Stage 2 SATS at the age of 11. Almost 50% of the course would have been disrupted due to Covid.

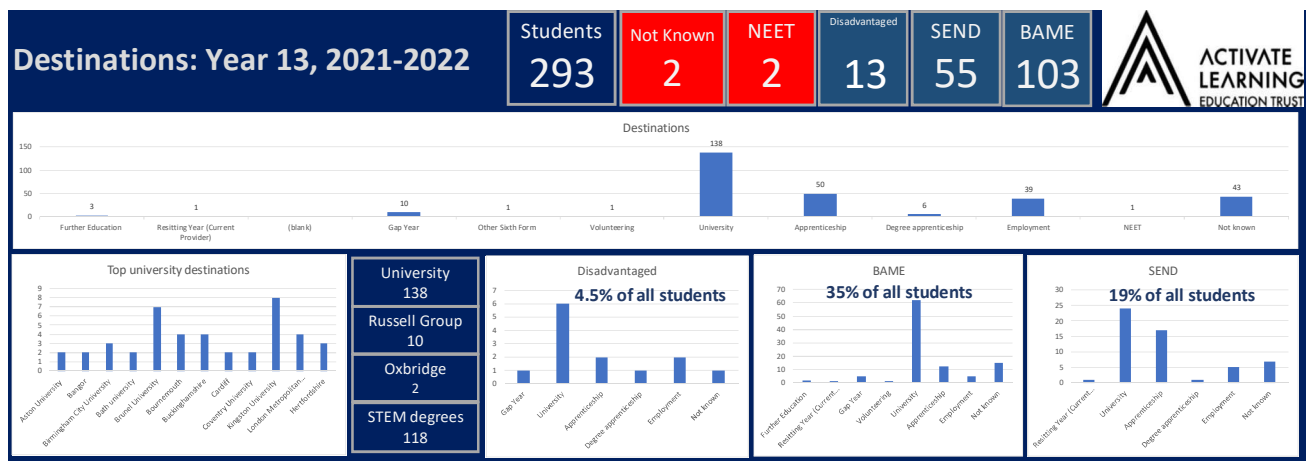
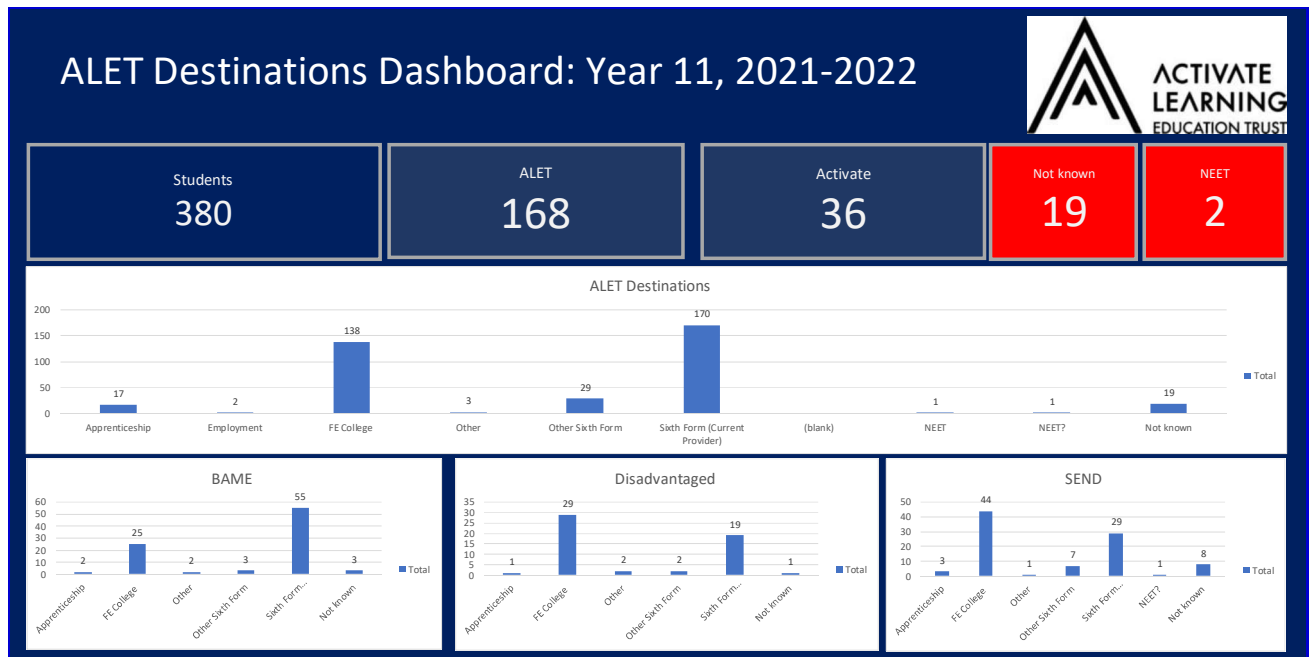
There is little or no GAP between those pupils who are SEN or Disadvantaged (PP) at A level and Tech Level. TGS has a larger difference between the outcomes of their SEN and Non SEN students

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Destination outcomes



ALET Partner recruitment



ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Going concern

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. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

Most of the academy trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy trust also receives grants for fixed assets from the Department for Education. In accordance with the Charities document, 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their account in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015)' (SORP 2015), such grants are shown in the statement of financial activities as restricted income. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The academy trust reported net expenditure in the year of £1,290,938 (2021: net expenditure £1,470,286), before an actuarial gain on the pension scheme of £9,271,000 (2021: actuarial loss of £1,468,000). Total funds of £69,803,873 (2021: £61,823,811) were carried forward into 2022/2023.

At 31 August 2022, the balance of unrestricted funds and general restricted funds (excluding the pension reserve and fixed asset fund) was £279,065 (2021: deficit of £138,839).

Reserves policy

The trustees review the reserve levels annually. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. The trustees carry forward levels of resources designed to meet the long-term needs and planning of the academy trust, including funding for some capital projects as well as an element for unforeseen contingencies. The reserves levels do not exceed the level permitted by the ESFA for GAG funding.

At 31 August 2022 the level of free (unrestricted) reserves was £1,153,736 (2021: £902,853).

At 31 August 2022, the academy trust had accumulated reserves of £279,065 (excluding the pension liability and fixed asset fund) and cash balances of £3,520,779. The academy wishes to accumulate reserves and cash balances in order to create a contingency fund.

The net book value of fixed assets at 31 August 2022 was £71,545,425 and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used primarily for providing education and the associated support services to the students of the academy trust.

The academy trust has a pension deficit with the Local Government Pension Scheme that is reflected in the financial statements. During the year pension deficit declined from £10,337,000 to £2,421,000.

Investment policy

The Academy Trust holds no investments. Cash is deposited in the bank.

Principal risks and uncertainties

The biggest future risk to the Academy Trust is student recruitment in our 14-18 technical schools and lagged funding arrangements in our comprehensive schools which are rapidly growing in student numbers. The Academy Trust continues to dedicate time and resources (physical and financial) to a robust marketing strategy. Failure to recruit enough students will result in financial claw back from the ESFA which could potentially damage the Academy Trust's longer-term financial planning; thus, being unable to meet its aims. The Academy Trust has a close working relationship with the ESFA to attempt to mitigate the risks of our rapidly growing schools and their funding allocations based on the previous year's student numbers.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Risk Management

For the year ended 31 August 2022 the primary activities of the Academy Trust were to operate The Bicester School, UTC Oxfordshire, UTC Reading, UTC Swindon, Theale Green School and UTC Heathrow and to accommodate growth.

Therefore, during the financial year, the following were the key risks identified:

- A potential shortfall in student recruitment across the Trust which was managed through enhanced recruitment plans, 'keep warm' activities for students who had applied and ongoing monitoring;
- Maintaining a strong financial position whilst the Trust continues to grow, especially in regards to the two academies who are funded through lagged funding;
- Impact of COVID-19 to recruitment of students and staff;
- Retaining good staff and recruiting new talent
- Cyber security
- Cost of living increases
- Lack of satisfactory improvement of school rebrokered into the Trust

Financial and risk management objectives and policies

The Academy Trust has a Board of Trustees that meets at least six times a year. The Board has also appointed a finance committee that has lead responsibility for considering a risk management register and ensuring that key risks are addressed. The Academy Trust has a full set of financial policies required to meet its obligations.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

	2022	2021
	kWh	kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year		
- Gas combustion	3,273,361	2,386,039
- Electricity purchased	1,996,873	3,855,029
	<u>5,270,234</u>	<u>6,241,068</u>

	2022	2021
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	645.70	556.27
- Fuel consumed for owned transport	-	-
	<u>645.70</u>	<u>556.27</u>
Scope 2 - indirect emissions		
- Electricity purchased	400.40	898.73
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	-	-
	<u>1,046.10</u>	<u>1,455.00</u>
Total gross emissions	<u>1,046.10</u>	<u>1,455.00</u>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	<u>0.32</u>	<u>0.47</u>

Quantification and reporting methodology

The Academy Trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

ACTIVATE LEARNING EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The Academy Trust's plans for the coming and future periods include:

- A strengthening of Leadership and Governance; this will be achieved through:
 - Building further capacity within the governance team
 - A greater connection between the levels of governance
 - Wider involvement of the Executive Team with the Trust Board
- Further expansion of the Academy Trust in size in the future, this will be achieved through:
 - Higher pupil numbers in our current schools, 4000 pupils by 2025
 - Development of a robust growth plan
 - Working closely with Regional Directors
 - Greater outward facing partnerships with likeminded schools and trusts
 - Identifying schools to join our Trust who share our ethos and values
- A clear focus on school improvement.
 - Embedding a new structure of Executive Principals and Heads of Schools,
 - Greater levels of reporting to governors and trustees
 - Dedicated Executive time focusing on academic data across the Trust
 - Middle and senior leader CPD to support strong line management
 - Embedding the Learning Philosophy and Attributes across the schools

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.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on ^{14/12/2022}..... and signed on its behalf by:



.....
C Ashby
Chair

ACTIVATE LEARNING EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Activate Learning Education 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 principal, 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 Activate Learning Education 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. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
C Ashby (Chair) (Appointed 19 January 2022)	4	4
N Evans (Chair of Finance Committee)	5	6
D Carr	4	6
R Cave	4	6
A McCall	5	6
K Mitchell	5	6
C Pearson	5	6
J Harper (Appointed 19 January 2022)	4	4
L Nicholls (Appointed 24 February 2022)	3	4
S Dicketts (Chair) (Resigned 31 March 2022)	4	4
G Headland (Co-Chair) (Appointed 1 April 2022 and resigned 31 May 2022)	0	1

Conflicts of interest

During the year the Trust has continued to maintain an up to date and complete register of interests utilising this to monitor and manage any possible conflicts of interest.

To ensure good governance is in place, where necessary Trustees and key management personnel are required to absent themselves where discussions and decisions are being made that would otherwise result in a conflict of interest.

ACTIVATE LEARNING EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Governance reviews

An effective Trust Board is key to the success of the Trust. Clear governance arrangements are necessary to enable the Board to ensure that appropriate systems and policies are in place, regularly reviewed and provide both legal accountability and the ability to deliver the organisation's objectives. The Board meets regularly to maintain a strategic overview of the Trust's work, specifically they:

- Set the Trust's vision, values and standards of conduct and ensure that obligations to stakeholders are understood, communicated and met.
- Ensure that the Trust complies with its constitution, mandatory requirements and statutory duties
- Oversee the financial performance of the Trust
- Provide effective and proactive leadership of the Trust within a framework of processes, procedures and controls which enable risk to be assessed and managed.

Sub-Committee Boards

During the year 1 September 2021 to 31 August 2022 the sub-committee boards also met.

They consist of:

Finance Committee

Key roles are:

- Maintain an oversight of the Trust's financial, governance, risk management and internal control systems.
- Report findings throughout the year to the Trust Board and the CEO as a critical element of the Trust's annual reporting requirements.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
N Evans (Chair of Finance Committee)	5	6
D Carr	4	6
R Cave	4	6
A McCall	5	6
K Mitchell	4	6
C Pearson	4	6
L Nicholls (Appointed 24 February 2022)	3	4
In attendance		
C Ashby (Appointed 19 January 2022)	4	4
S Dicketts (Resigned 31 March 2022)	1	3
G Headland (Appointed 11 April 2022 & Resigned 31 May 2022)	0	1

ACTIVATE LEARNING EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Pay Committee

Key roles are:

- Review recommendations from LGC and executive officers on matters of remunerations for all Trust employees.
- Provide assurance to the Trust of appropriate remuneration to all Trust employees.
- Provide recommendations to the Trust Board on appropriate levels of remuneration for all Trust employees.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
R Cave	1	1
L Nicholls (Appointed 24 February 2022)	1	1
S Dicketts (Chair) (Resigned 31 March 2022)	1	1

Review of value for money

As accounting officer, the principal 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 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:

- Achieving an environment where grant funds are spent effectively and within budgetary constraints to ensure proper use of public funds. This includes capital and operating expenditure;
- Maximising synergies between academy members of the Academy Trust to enable every student to achieve their potential; and
- Procuring scalable and effective central services and overhead provision to ensure that the Academy Trust can maximise its expenditure on curriculum activities.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Activate Learning Education Trust for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts.

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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

ACTIVATE LEARNING EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 to employ Wiltshire Council as internal auditor.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

The internal auditor's role includes giving advice on financial and other matters and performing a range of check on the Academy Trust's financial systems. In particular, the checks carried out in the current period included:

- GDPR & BCP
- Website Compliance - UTC Oxfordshire
- Payroll
- Website Compliance - The Bicester School

For the completed audits, whilst recommendations have been made, we have assessed all areas as 'Low' risk.

Review of effectiveness

As accounting officer, the principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework; and
- support of a School Resource Management Advisor (SRMA)

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 13/12/2022 and signed on its behalf by:


Joanne Harper (Dec 13, 2022 19:31 GMT)

J Harper
Accounting Officer

ACTIVATE LEARNING EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Activate Learning Education 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 2021.

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 2021.

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



Joanne Harper (Dec 13, 2022 19:31 GMT)

J Harper
Accounting Officer

13/12/2022
.....

ACTIVATE LEARNING EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Activate Learning Education Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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 2021 to 2022;
- 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/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 ^{14/12/2022} and signed on its behalf by:



C Ashby
Chair

ACTIVATE LEARNING EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVATE LEARNING EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Activate Learning Education Trust for the year ended 31 August 2022 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 2021 to 2022 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 2022 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 2021 to 2022.

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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the academy trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the 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.

ACTIVATE LEARNING EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVATE LEARNING EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 incorporated strategic report has been prepared in accordance with applicable legal requirements.

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.

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.

ACTIVATE LEARNING EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVATE LEARNING EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Extent to which the audit was capable of detecting irregularities, including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities Act 2011, the Academy Trust Handbook 2021, the Academies Accounts Direction 2021 to 2022, safeguarding prevent/protect, Ofsted, taxation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

Audit response to risks identified

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of the board of governors;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with ESFA and HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

ACTIVATE LEARNING EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACTIVATE LEARNING EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

A further description of our responsibilities 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.

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.

Christopher Mantel
Christopher Mantel (Dec 14, 2022 12:09 GMT)

**Christopher Mantel (Senior Statutory Auditor)
for and on behalf of Alliotts LLP**

14/12/2022
.....

**Chartered Accountants
Statutory Auditor**

Imperial House
8 Kean Street
London
WC2B 4AS

ACTIVATE LEARNING EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 3 February 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Activate Learning Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Activate Learning Education Trust's funding agreement with the Secretary of State for Education dated 28 January 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

ACTIVATE LEARNING EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

The work undertaken to draw to our conclusion includes:

- analytical review of the academy trust's general activities to ensure that they are within the academy trust's framework of authorities;
- consideration of the evidence supporting the accounting officer's statement on regularity, propriety and compliance;
- review of the general control environment for the academy trust on financial statements and on regularity;
- sample testing of expenditure transactions to ensure the activity is permissible within the academy trust's framework of authority;
- confirmation that a sample of expenditure has been appropriately authorised in accordance with the academy trust's delegated authorities;
- formal representations obtained from the governing body and the accounting officer acknowledging the responsibilities, including disclosing all non-compliance with laws and regulations specific to the authorising framework;
- confirmation that any extra-contractual payments such as severance and compensation payments have been appropriately authorised;
- review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- review of specific terms of grant funding within the funding agreement;
- review of related party transactions for connections with the principal or trustees;
- review of income received in accordance with the activities permitted within the academy trust's charitable objectives

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

Alliotts LLP

Alliotts LLP (Dec 14, 2022 12:14 GMT)

Reporting Accountant

Alliotts LLP

Dated: 14/12/2022
.....

ACTIVATE LEARNING EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	-	266,494	1,326,554	1,593,048	685,210
Charitable activities:						
- Funding for educational operations	4	-	20,803,352	-	20,803,352	20,136,655
Other trading activities	5	884,387	-	-	884,387	745,664
Total		<u>884,387</u>	<u>21,069,846</u>	<u>1,326,554</u>	<u>23,280,787</u>	<u>21,567,529</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	633,504	22,260,366	1,677,855	24,571,725	23,037,960
Total	6	<u>633,504</u>	<u>22,260,366</u>	<u>1,677,855</u>	<u>24,571,725</u>	<u>23,037,960</u>
Net income/(expenditure)		250,883	(1,190,520)	(351,301)	(1,290,938)	(1,470,431)
Transfers between funds	16	-	2,541	(2,541)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	9,271,000	-	9,271,000	(1,468,000)
Net movement in funds		250,883	8,083,021	(353,842)	7,980,062	(2,938,431)
Reconciliation of funds						
Total funds brought forward		902,853	(11,378,692)	72,299,650	61,823,811	64,762,242
Total funds carried forward		<u>1,153,736</u>	<u>(3,295,671)</u>	<u>71,945,808</u>	<u>69,803,873</u>	<u>61,823,811</u>

ACTIVATE LEARNING EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2021
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	-	309,595	375,615	685,210
Charitable activities:					
- Funding for educational operations	4	-	20,136,655	-	20,136,655
Other trading activities	5	745,664	-	-	745,664
Total		745,664	20,446,250	375,615	21,567,529
Expenditure on:					
Charitable activities:					
- Educational operations	8	518,811	20,667,393	1,851,756	23,037,960
Total	6	518,811	20,667,393	1,851,756	23,037,960
Net income/(expenditure)		226,853	(221,143)	(1,476,141)	(1,470,431)
Transfers between funds	16	-	3,000	(3,000)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(1,468,000)	-	(1,468,000)
Net movement in funds		226,853	(1,686,143)	(1,479,141)	(2,938,431)
Reconciliation of funds					
Total funds brought forward		676,000	(9,692,549)	73,778,791	64,762,242
Total funds carried forward		902,853	(11,378,692)	72,299,650	61,823,811

ACTIVATE LEARNING EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		71,545,425		72,299,650
Current assets					
Debtors	13	767,232		580,151	
Cash at bank and in hand		3,520,779		2,404,510	
		<u>4,288,011</u>		<u>2,984,661</u>	
Current liabilities					
Creditors: amounts falling due within one year	14	(3,608,563)		(3,123,500)	
Net current assets/(liabilities)			679,448		(138,839)
Net assets excluding pension liability			72,224,873		72,160,811
Defined benefit pension scheme liability	18		(2,421,000)		(10,337,000)
Total net assets			<u>69,803,873</u>		<u>61,823,811</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			71,945,808		72,299,650
- Restricted income funds			(874,671)		(1,041,692)
- Pension reserve			(2,421,000)		(10,337,000)
Total restricted funds			<u>68,650,137</u>		<u>60,920,958</u>
Unrestricted income funds	16		1,153,736		902,853
Total funds			<u>69,803,873</u>		<u>61,823,811</u>

The accounts on pages 24 to 47 were approved by the trustees and authorised for issue on 14/12/2022 and are signed on their behalf by:



.....
C Ashby
Chair

Company registration number 08707909

ACTIVATE LEARNING EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash provided by operating activities	19		713,345		1,255,711
Cash flows from investing activities					
Capital grants from DfE Group		1,326,554		375,615	
Purchase of tangible fixed assets		(923,630)		(373,000)	
Net cash provided by investing activities			402,924		2,615
Net increase in cash and cash equivalents in the reporting period			1,116,269		1,258,326
Cash and cash equivalents at beginning of the year			2,404,510		1,146,184
Cash and cash equivalents at end of the year			3,520,779		2,404,510

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

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.

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

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.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. 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.

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 Tangible fixed assets and depreciation

Assets costing £1,000 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.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Depreciation is provided on all tangible fixed assets other than freehold land, 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	50 years
Plant and machinery	4 years
Computer equipment	3 years
Fixtures, fittings & equipment	5-10 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

1.6 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 or services it must provide.

1.7 Leased assets

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

1.8 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, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 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.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to 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/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 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 Department for Education Group.

2 Critical accounting estimates and areas of judgement

Accounting 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.

Critical accounting estimates and assumptions

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.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

Valuation of Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2016 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.

Estimated useful economic life of tangible fixed assets

Tangible fixed assets, other than freehold land, are depreciated on a straight line basis over their estimated useful economic life. The estimated useful economic life is the expected period of time during which an asset is considered useable.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	1,326,554	1,326,554	375,615
Other donations	-	266,494	266,494	309,595
	-	1,593,048	1,593,048	685,210

4 Funding for the academy trust's charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
DfE/ESFA grants				
General annual grant (GAG)	-	13,927,583	13,927,583	12,538,977
Other DfE/ESFA grants:				
- Pupil premium	-	493,765	493,765	452,680
- Others	-	5,812,235	5,812,235	6,430,174
	-	20,233,583	20,233,583	19,421,831
Other government grants				
Local authority grants	-	366,099	366,099	311,319
COVID-19 additional funding				
DfE/ESFA				
Other DfE/ESFA COVID-19 funding	-	203,670	203,670	403,650
Total funding	-	20,803,352	20,803,352	20,136,800

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Lettings income	116,019	-	116,019	31,994
Catering income	314,676	-	314,676	235,007
Parental contributions for trips	106,482	-	106,482	29,584
Other income	347,210	-	347,210	449,079
	<u>884,387</u>	<u>-</u>	<u>884,387</u>	<u>745,664</u>

6 Expenditure

	Staff costs £	Non-pay expenditure		Total 2022 £	Total 2021 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	13,586,875	-	1,236,714	14,823,589	14,804,960
- Allocated support costs	3,710,733	3,595,344	2,442,059	9,748,136	8,233,000
	<u>17,297,608</u>	<u>3,595,344</u>	<u>3,678,773</u>	<u>24,571,725</u>	<u>23,037,960</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	18,950	23,000
- Other services	8,100	7,000
Operating lease rentals	2,060	-
Depreciation of tangible fixed assets	1,677,855	1,851,756
Net interest on defined benefit pension liability	179,000	134,000
	<u>1,985,965</u>	<u>2,017,756</u>

7 Central services

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

- Financial services;
- Legal services;
- Human resources;
- Educational support services;
- Governance support services;
- ICT support services;
- Others as arising.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Central services

(Continued)

The academy trust charges for these services on the following basis:

- a flat management fee of £45,000 per academy;
- plus 3% of the academies budgeted GAG income;
- where applicable a pass through of specific IT services as provided by lead sponsor Activate Learning.

The amounts charged during the year were as follows:

	2022	2021
	£	£
Bicester Technology Studio	-	66,000
The Bicester School	278,011	215,000
UTC Reading	210,063	232,000
UTC Oxfordshire	142,487	160,000
UTC Swindon	115,962	102,000
Theale Green School	234,180	210,000
UTC Heathrow	110,162	90,000
	<u>1,090,865</u>	<u>1,075,000</u>

8 Charitable activities

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Direct costs				
Educational operations	146,983	14,676,606	14,823,589	14,804,960
Support costs				
Educational operations	486,521	9,261,615	9,748,136	8,233,000
	<u>633,504</u>	<u>23,938,221</u>	<u>24,571,725</u>	<u>23,037,960</u>

	2022	2021
	£	£
Analysis of support costs		
Support staff costs	3,710,733	2,447,880
Depreciation	1,677,855	1,851,756
Technology costs	428,161	518,970
Premises costs	1,917,489	1,005,850
Legal costs	1,459	3,218
Other support costs	1,980,371	2,366,113
Governance costs	32,068	39,213
	<u>9,748,136</u>	<u>8,233,000</u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	12,134,650	11,451,674
Social security costs	1,227,203	1,119,236
Pension costs	3,728,719	3,328,600
	<u>17,090,572</u>	<u>15,899,510</u>
Staff costs - employees	17,090,572	15,899,510
Agency staff costs	207,036	91,341
Staff restructuring costs	-	42,298
	<u>17,297,608</u>	<u>16,033,149</u>
Staff development and other staff costs	62,346	58,789
	<u>17,359,954</u>	<u>16,091,938</u>
Total staff expenditure	<u>17,359,954</u>	<u>16,091,938</u>
Staff restructuring costs comprise:		
Redundancy payments	<u>-</u>	<u>42,298</u>

Staff numbers

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

	2022 Number	2021 Number
Teachers	186	181
Administration and support	195	174
Management	28	26
	<u>409</u>	<u>381</u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Higher paid staff

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

	2022 Number	2021 Number
In the band £60,001 - £70,000	7	-
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	5	2
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	1
In the band £100,001 - £120,000	-	1
In the band £130,001 - £140,000	1	-
	<u> </u>	<u> </u>

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 £1,147,757 (2021: £1,092,776).

10 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

During the year, no retirement benefits accrued in respect of defined benefit pension schemes for trustees (2021: £nil).

During the year, no travel and subsistence payments were reimbursed or paid directly to trustees (2021: £nil).

11 Trustees' and officers' insurance

The academy 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 academy trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

12 Tangible fixed assets

	Land and buildings	Assets under construction	Plant and machinery	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£	£
Cost						
At 1 September 2021	81,307,689	-	955,052	2,740,793	1,932,239	86,935,773
Additions	594,220	162,316	34,619	7,728	124,747	923,630
At 31 August 2022	81,901,909	162,316	989,671	2,748,521	2,056,986	87,859,403
Depreciation						
At 1 September 2021	9,965,998	-	370,496	2,609,848	1,689,781	14,636,123
Charge for the year	1,440,126	-	96,840	62,326	78,563	1,677,855
At 31 August 2022	11,406,124	-	467,336	2,672,174	1,768,344	16,313,978
Net book value						
At 31 August 2022	70,495,785	162,316	522,335	76,347	288,642	71,545,425
At 31 August 2021	71,341,691	-	584,556	130,945	242,458	72,299,650

13 Debtors

	2022	2021
	£	£
Trade debtors	120,140	97,821
VAT recoverable	309,224	239,036
Other debtors	106,875	14,189
Prepayments and accrued income	230,993	229,105
	767,232	580,151

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	1,015,769	602,596
Other taxation and social security	306,470	277,745
Other creditors	1,158,238	1,346,426
Accruals and deferred income	1,128,086	896,733
	3,608,563	3,123,500

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	399,914	413,011
	<u> </u>	<u> </u>
Deferred income at 1 September 2021	413,011	376,000
Released from previous years	(413,011)	(376,000)
Resources deferred in the year	399,914	413,011
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	399,914	413,011
	<u> </u>	<u> </u>

At the balance sheet date the academy trust was holding the following funds:

- £132,134 received in advance from students for trips and resources to be provided in the next financial year.
- £233,148 received in advance from government agencies where criteria relating to their performance remains unmet.
- £34,632 received in advance from individuals and entities where criteria relating to their performance remains unmet.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	(1,041,692)	13,927,583	(13,763,103)	2,541	(874,671)
Pupil premium	-	493,765	(493,765)	-	-
Other DfE/ESFA COVID-19 funding	-	203,670	(203,670)	-	-
Other DfE/ESFA grants	-	5,812,235	(5,812,235)	-	-
Other government grants	-	366,099	(366,099)	-	-
Other restricted funds	-	266,494	(266,494)	-	-
Pension reserve	(10,337,000)	-	(1,355,000)	9,271,000	(2,421,000)
	<u>(11,378,692)</u>	<u>21,069,846</u>	<u>(22,260,366)</u>	<u>9,273,541</u>	<u>(3,295,671)</u>
Restricted fixed asset funds					
Inherited on conversion	72,299,650	-	(1,638,107)	-	70,661,543
DfE group capital grants	-	1,326,554	(39,748)	(2,541)	1,284,265
	<u>72,299,650</u>	<u>1,326,554</u>	<u>(1,677,855)</u>	<u>(2,541)</u>	<u>71,945,808</u>
Total restricted funds	<u>60,920,958</u>	<u>22,396,400</u>	<u>(23,938,221)</u>	<u>9,271,000</u>	<u>68,650,137</u>
Unrestricted funds					
General funds	902,853	884,387	(633,504)	-	1,153,736
Total funds	<u>61,823,811</u>	<u>23,280,787</u>	<u>(24,571,725)</u>	<u>9,271,000</u>	<u>69,803,873</u>

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

General annual grant: This includes all monies received from the DfE and ESFA to carry out the objectives of the Trust. It includes the School Budget Share. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

Other DfE/ESFA grants: Other grants include funding received from the DfE and ESFA for specific purposes.

Other government grants: Funding received from other government entities for the furtherance of the academy trust's activities that are not funded through the General Annual Grant.

Pension reserve: This represents the negative reserve in respect of the liability on the LGPS defined benefit pension scheme.

Fixed asset funds: The fixed asset fund includes grants received from the DfE and other sources to finance the development and building of the academy and other tangible fixed assets, and the annual charges for depreciation of these assets.

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

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	(1,803,549)	12,538,978	(11,780,121)	3,000	(1,041,692)
Pupil premium	-	452,680	(452,680)	-	-
Other DfE/ESFA COVID-19 funding	-	403,650	(403,650)	-	-
Other DfE/ESFA grants	-	6,430,174	(6,430,174)	-	-
Other government grants	-	311,173	(311,173)	-	-
Other restricted funds	-	309,595	(309,595)	-	-
Pension reserve	(7,889,000)	-	(980,000)	(1,468,000)	(10,337,000)
	<u>(9,692,549)</u>	<u>20,446,250</u>	<u>(20,667,393)</u>	<u>(1,465,000)</u>	<u>(11,378,692)</u>
Restricted fixed asset funds					
Inherited on conversion	73,778,791	-	-	-	73,778,791
DfE group capital grants	-	375,615	(1,851,756)	(3,000)	(1,479,141)
	<u>73,778,791</u>	<u>375,615</u>	<u>(1,851,756)</u>	<u>(3,000)</u>	<u>72,299,650</u>
Total restricted funds	<u>64,086,242</u>	<u>20,821,865</u>	<u>(22,519,149)</u>	<u>(1,468,000)</u>	<u>60,920,958</u>
Unrestricted funds					
General funds	<u>676,000</u>	<u>745,664</u>	<u>(518,811)</u>	<u>-</u>	<u>902,853</u>
Total funds	<u>64,762,242</u>	<u>21,567,529</u>	<u>(23,037,960)</u>	<u>(1,468,000)</u>	<u>61,823,811</u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

Total funds analysis by academy

	2022	2021
	£	£
Fund balances at 31 August 2022 were allocated as follows:		
Bicester Technology Studio	-	(187,000)
The Bicester School	541,264	684,000
UTC Reading	921,835	888,000
UTC Oxfordshire	(527,565)	(585,000)
UTC Swindon	(457,988)	(407,000)
Theale Green School	(2,268,687)	(2,270,000)
UTC Heathrow	(76,194)	(94,000)
Central services	2,146,400	1,832,161
	<u>279,065</u>	<u>(138,839)</u>
Total before fixed assets fund and pension reserve		
Restricted fixed asset fund	71,945,808	72,299,650
Pension reserve	(2,421,000)	(10,337,000)
	<u>69,803,873</u>	<u>61,823,811</u>
Total funds	<u><u>69,803,873</u></u>	<u><u>61,823,811</u></u>

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
Bicester Technology Studio	-	-	-	-	-	641,000
The Bicester School	5,057,665	742,423	256,468	1,272,813	7,329,369	5,938,000
UTC Reading	1,879,874	249,782	257,027	681,521	3,068,204	3,072,000
UTC Oxfordshire	1,505,436	257,269	158,101	473,996	2,394,802	2,202,000
UTC Swindon	907,948	152,469	95,189	256,063	1,411,669	1,304,000
Theale Green School	2,968,783	376,529	248,444	630,913	4,224,669	3,917,000
UTC Heathrow	1,089,991	110,272	108,336	404,195	1,712,794	1,510,000
Central services	228,157	645,988	3,862	519,357	1,397,364	1,618,000
	<u>13,637,854</u>	<u>2,534,732</u>	<u>1,127,427</u>	<u>4,238,858</u>	<u>21,538,871</u>	<u>20,202,000</u>
	<u><u>13,637,854</u></u>	<u><u>2,534,732</u></u>	<u><u>1,127,427</u></u>	<u><u>4,238,858</u></u>	<u><u>21,538,871</u></u>	<u><u>20,202,000</u></u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	71,545,425	71,545,425
Current assets	1,153,736	2,733,892	400,383	4,288,011
Current liabilities	-	(3,608,563)	-	(3,608,563)
Pension scheme liability	-	(2,421,000)	-	(2,421,000)
Total net assets	1,153,736	(3,295,671)	71,945,808	69,803,873

	Unrestricted Funds £	General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	72,299,650	72,299,650
Current assets	2,984,661	-	-	2,984,661
Current liabilities	(2,081,808)	(1,041,692)	-	(3,123,500)
Pension scheme liability	-	(10,337,000)	-	(10,337,000)
Total net assets	902,853	(11,378,692)	72,299,650	61,823,811

18 Pension and similar obligations

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 London Borough of Hillingdon Pension Fund, Royal County of Berkshire Pension Fund, Oxford County Council and Wiltshire Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £289,974 were payable to the schemes at 31 August 2022 (2021: £nil) and are included within creditors.

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.

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 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 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,890,205 (2021: £1,842,000).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 18.7% to 29.1% for employers and 5.5% to 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Total contributions made	2022	2021
	£	£
Employer's contributions	647,000	630,000
Employees' contributions	193,000	172,000
	<hr/>	<hr/>
Total contributions	840,000	802,000
	<hr/> <hr/>	<hr/> <hr/>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.45	3.33
Rate of increase for pensions in payment/inflation	3.03	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	21.75	22.05
- Females	24.25	24.15
Retiring in 20 years		
- Males	22.70	23.50
- Females	25.73	26.08

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

	2022	2021
Discount rate + 0.1%	(256,000)	(430,000)
Discount rate - 0.1%	259,000	435,000
Mortality assumption + 1 year	390,000	731,000
Mortality assumption - 1 year	(386,000)	(717,000)
CPI rate + 0.1%	250,000	408,000
CPI rate - 0.1%	(247,000)	(403,000)

Defined benefit pension scheme net liability

	2022 £	2021 £
Scheme assets	8,410,000	7,592,000
Scheme obligations	(10,831,000)	(17,929,000)
Net liability	(2,421,000)	(10,337,000)

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations	(Continued)	
The academy trust's share of the assets in the scheme	2022	2021
	Fair value	Fair value
	£	£
Equities	5,698,000	5,076,000
Bonds	1,372,000	1,405,000
Cash	121,000	167,000
Property	973,000	727,000
Other assets	246,000	217,000
	<u>8,410,000</u>	<u>7,592,000</u>
Total market value of assets	<u>8,410,000</u>	<u>7,592,000</u>
The actual return on scheme assets was £10,000 (2021: £999,000).		
Amount recognised in the statement of financial activities	2022	2021
	£	£
Current service cost	1,823,000	1,379,000
Past service cost	-	97,000
Interest income	(128,000)	(105,000)
Interest cost	307,000	237,000
	<u>2,002,000</u>	<u>1,608,000</u>
Total operating charge	<u>2,002,000</u>	<u>1,608,000</u>
Changes in the present value of defined benefit obligations	2022	2021
	£	£
At 1 September 2021	17,929,000	13,894,000
Current service cost	1,823,000	1,379,000
Interest cost	307,000	237,000
Employee contributions	193,000	172,000
Actuarial (gain)/loss	(9,389,000)	2,364,000
Benefits paid	(32,000)	(214,000)
Past service cost	-	97,000
	<u>10,831,000</u>	<u>17,929,000</u>
At 31 August 2022	<u>10,831,000</u>	<u>17,929,000</u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations		(Continued)	
Changes in the fair value of the academy trust's share of scheme assets			
		2022	2021
		£	£
At 1 September 2021		7,592,000	6,005,000
Interest income		128,000	103,000
Actuarial loss/(gain)		(118,000)	896,000
Employer contributions		647,000	630,000
Employee contributions		193,000	172,000
Benefits paid		(32,000)	(214,000)
		<u>8,410,000</u>	<u>7,592,000</u>
At 31 August 2022		<u>8,410,000</u>	<u>7,592,000</u>
19 Reconciliation of net expenditure to net cash flow from operating activities			
		2022	2021
	Notes	£	£
Net expenditure for the reporting period (as per the statement of financial activities)		(1,290,938)	(1,470,431)
Adjusted for:			
Capital grants from DfE and other capital income		(1,326,554)	(375,615)
Defined benefit pension costs less contributions payable	18	1,176,000	848,000
Defined benefit pension scheme finance cost	18	179,000	132,000
Depreciation of tangible fixed assets		1,677,855	1,851,756
(Increase) in debtors		(187,081)	(43,000)
Increase in creditors		485,063	313,001
		<u>713,345</u>	<u>1,255,711</u>
Net cash provided by operating activities		<u>713,345</u>	<u>1,255,711</u>
20 Analysis of changes in net funds			
	1 September	Cash flows	31 August
	2021		2022
	£	£	£
Cash	2,404,510	1,116,269	3,520,779
	<u>2,404,510</u>	<u>1,116,269</u>	<u>3,520,779</u>

ACTIVATE LEARNING EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £	2021 £
Amounts due within one year	39,348	11,952
Amounts due in two and five years	90,332	18,279
	<u>129,680</u>	<u>30,231</u>

22 Related party transactions

During the year, purchases were undertaken with Pearson Education Ltd, a company in which trustee Sally Dicketts is a Director. Purchases during the year were £199,656 (2021: £153,103) and there was a creditor at the year end of £4,592 (2021: £6,525).

During the year, purchases took place with Highdown School. The transactions during the year were £154 (2021: £1,808) and no amounts were owed at the year end. Highdown School works with a MAT that has a national leader of education, who has previously been matched with the Trust by the regional schools commissioner for school improvement work. One of the trustees, Rachel Cave, works for Highdown School.

During the year transactions were undertaken with Activate Learning, a College where Sally Dicketts is the Group Chief Executive and Lee Nicholls is the Deputy CEO. Purchases during the year were £432,863 (2021: £549,054) and income during the year were £48,468 (2021: £3,847). At the year end a creditor of £31,974 (2021: £50,929) and a debtor of £12,636 (2021: £3,847) were outstanding.

Other than the above, there were no other related party transactions in the period.

23 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.