

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Members</b>                         | Richard Attew (resigned 17 May 2023)<br>William Cairns<br>Ann Bard (resigned 17 May 2023)<br>Sue Cook<br>Julie Lane (appointed 27 January 2023)<br>Simon Plumb (appointed 12 July 2023)                                                                                                                                                                                                                                             |
| <b>Trustees</b>                        | Mary Evans, CEO and Executive Head Teacher<br>William Cairns, Chair of Trustee Board<br>David Ives<br>Simon Plumb (resigned 6 June 2023)<br>Julie Lane (resigned 15 January 2023)<br>Clare O'Sullivan<br>Suzanne Cassidy<br>Tom Mortimer (appointed 22 September 2022, resigned 28 September 2022)<br>Ricky Ellam (appointed 5 December 2022)<br>Chanel Afreh (appointed 5 December 2022)<br>Kristin Docker (appointed 8 June 2023) |
| <b>Company Registered Number</b>       | 09791050                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Company Name</b>                    | Harlow Inspirational Learning Trust                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Registered and Principal Office</b> | The Henry Moore Primary School<br>Kiln Lane<br>Church Langley<br>Harlow<br>Essex<br>CM17 9LW                                                                                                                                                                                                                                                                                                                                        |
| <b>Chief Financial Officer</b>         | Debby Hempsted                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Chief Executive Officer</b>         | Mary Evans                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Senior Leadership Team</b>          | Mary Evans, Executive Headteacher / CEO<br>Sarah Cowley, Headteacher, Henry Moore<br>Christine Lee, Assistant Headteacher<br>Michael Doughty, Headteacher, Milwards                                                                                                                                                                                                                                                                 |
| <b>Independent Auditors</b>            | Price Bailey LLP<br>Chartered Accountants<br>Causeway House<br>1 Dane Street<br>Bishop's Stortford<br>Hertfordshire<br>CM23 3BT                                                                                                                                                                                                                                                                                                     |

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Harlow Inspirational Learning Trust (The Trust or the Charitable Company) for the year to 31 August 2023. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Trust is constituted as a two school Multi Academy Trust, The Henry Moore Primary School and Milwards Primary School and Nursery (The Schools or The Academies).

The Schools have a combined pupil capacity of 780 and had a roll of 750 in the census on 7th October 2022.

**Structure, Governance and Management**

**Constitution**

The 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. The Trustees of Harlow Inspirational Learning Trust are also the Directors of the Charitable Company for the purposes of company law. Within this report the terms Trustee and Director are interchangeable. The Charitable Company includes the following Academies:

- The Henry Moore Primary School
- Milwards Primary School and Nursery

The operation of the Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance, Audit and Strategy (FAS) Committee. The two HILT schools now have a joint Local Governing Body (LGB) which supports the Trust's FAS Committee in the monitoring of their Academies within agreed budgets. Within this Report, the term Trustee refers to a member of the Board of Trustees and the term Governor to a member of the LGB.

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' and Officers' Indemnities**

The Trust has secured insurance cover through Zurich, this Covers any Director, Trustee, Member or co-opted Member of the insured's governing body or any subcommittee of it, including the insured's Multi Academy Trust.

The policy protects Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees, Governors and Officers indemnity element from the overall cost of the Trust policy.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Method of Recruitment and Appointment or Election of Trustees**

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO)/Executive Headteacher is an ex officio member of the Board of Trustees. Parent Trustees and the staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. Co-opted Trustees are elected by the existing Trustee cohort and their appointment is ratified by the Members of the Trust. The Articles of Association make provision for

- 5 Trust Members; and
- 9 Trust Directors (including the Executive Head Teacher/CEO)

**Policies and Procedures Adopted for the Induction and Training of Trustees and Governors**

The Trust is committed to providing adequate opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. To this end the Trust provides internal training led by Trust and School staff and also links with a number of local training providers and School Business Management Service.

All new Trustees and Governors have an induction programme, according to their need, which includes introductory sessions, mentoring, formal training courses, and a tour of the Schools. This process will involve a meeting with the Chair of Trustees or Co-Chairs of the LGB as necessary, selected students and staff. All Trustees and Governors are provided with a handbook plus copies of policies and procedures documents that are appropriate to the role they undertake as Trustees and Governors with particular emphasis on the committee work that they will undertake. These documents are in the Information folder on Governor Hub.

**Organisational Structure**

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees meets on at least 4 occasions per year and is responsible for the strategic direction of the Trust. The Trustees are responsible for setting strategic policy, adopting an annual plan and budget, monitoring The Trust by the use of those budgets and making major decisions about the direction of The Trust, capital expenditure, senior staff appointments and executive pay.

The Governors within the HILT LGB which meets on at least 3 occasions each year are responsible for implementing strategic policy, ensuring the appropriateness of annual budgets and capital expenditure projects for their Academy and monitoring performance against that budget and authorised capital limits. Governors can be members of one or two sub-committees, the terms of reference for which are reviewed annually, who report to the Board of Trustees.

The Academy Senior Leadership Teams (SLT's) control the Academies at an executive level, implementing policies and reporting to their LGB. Each SLT is responsible for the day to day operation of their Academy, in particular organising staff, resources and students. They are responsible for the authorisation of spending in accordance with the agreed spending limits within financial regulations and agreed budgets and for the appointment of staff, below senior leadership level, i.e. below Assistant Head, following vetting and safeguarding recruitment processes.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Executive Headteacher / CEO is the designated Accounting Officer and has overall responsibility for the day to day financial management of the Trust. The Executive Headteacher / CEO manages the Trust on a daily basis supported by a Trust Senior Management Team comprising the Senior Leadership Team (Educational), Chief Finance Officer, Compliance Manager, Business Efficiency Manager who look across the Trust and aligns local SLT and LGB activity to the strategic aims of the Trust as a whole. The Trust Senior Management Team meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Board of Trustees as required for approval.

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

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Pay Review Committee and ratified by the Board of Trustees.

**Trade Union Facility Time**

The Trust has no employees that are Trade Union Representatives.

**Related Parties and other Connected Charities and Organisations**

Owing to the nature of the Trust's operations and the composition of the Board of Trustees and LGB's being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which a Trustee or a Governor may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee or Governor may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academy Trust Handbook.

The Trust did not cooperate with any related party during the academic year in pursuit of its charitable activities and does not have a formal sponsor.

**Objectives and Activities**

**Objects and Aims**

The principal object and aim of the Trust is the operation of a family of Academies to provide free education and care for pupils of different abilities between the ages of 4 and 11 at Henry Moore, 3 and 11 at Milwards. Specifically to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

**Objectives, Strategies and Activities**

During the year the Trust has worked towards these aims by:

- Ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- Raising the standard of educational achievement of all pupils.
- Developing resilient, resourceful students.
- Adapting and applying skills for flexible life-long learning.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

- Improving the effectiveness of each School by keeping the curriculum and organisational structure under continual review.
- Providing value for money for the funds expended.
- Conducting the Trust's business in accordance with the highest standards of integrity.

Our success in fulfilling these aims can be measured by:

- Reports from external advisors - educational, finance and others
- OFSTED
- School data, educational, social, emotional outcomes
- Auditors

**Public Benefit**

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

**Strategic Report**

**Achievements and Performance**

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their School.

Specific achievements were as follows:

- Both Schools have achieved Primary Science Quality Mark (PSQM).
- Milwards succeeded with a bid to have Forest School on site which has been up and running for a year now. This included a one week summer school during the holiday.
- OFSTED September 2021 Milwards achieved 'Outstanding' in Behaviour and Attitudes and Personal Development.
- 2023 Pupil progress and attainment in both Schools was good.
- There are strong green shoots of growth/good attainment at the lower end of Milwards School indicative of the impact of new initiatives and strategies.
- Henry Moore football team got to the national finals in 2023.

**Pupil Progress / SATS 2023**

All tests/assessments took place this year in both schools.

There is still an impact from COVID in terms of missed learning.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Henry Moore Headline Data – July 2023**

| <b>EYFS results and GLD</b> |                          |                           |                      |                       |
|-----------------------------|--------------------------|---------------------------|----------------------|-----------------------|
| <b>End of EYFS</b>          | <b>Current YR (2023)</b> | <b>Previous YR (2022)</b> | <b>National Data</b> | <b>LA Data (2022)</b> |
| GLD                         | 73.20%                   | 70.70%                    | 65.20%               | 66.80%                |
| Reading                     | 86.60%                   | 77.60%                    | 68%                  | 69.80%                |
| Writing                     | 76.80%                   | 70.60%                    |                      |                       |
| Maths                       | 85.40%                   | 80%                       | 75.90%               | 77.20%                |

| <b>Year 1 Phonics</b> |                           |                            |                            |                      |
|-----------------------|---------------------------|----------------------------|----------------------------|----------------------|
|                       | <b>Current Year -2023</b> | <b>Previous Year -2022</b> | <b>National Data -2022</b> | <b>LA Data -2022</b> |
| <b>Phonics Year 1</b> | 88.50%                    | 86.50%                     | 75.50%                     | 75.40%               |

| <b>End of Key Stage 1</b> |                         |                           |                             |                       |
|---------------------------|-------------------------|---------------------------|-----------------------------|-----------------------|
|                           | <b>Current Y2 -2023</b> | <b>Previous Y2 (2022)</b> | <b>National Data (2022)</b> | <b>LA Data (2022)</b> |
| <b>Reading</b>            | 66.3% (21.3%)           | 75.8% (17.6%)             | 66.90%                      | 69.40%                |
| <b>Writing</b>            | 60.7% (7.9%)            | 67% (0%)                  | 57.60%                      | 60.40%                |
| <b>Maths</b>              | 69.7% (11.2%)           | 74.4% (16.5%)             | 67.70%                      | 69.40%                |
| <b>Combined</b>           | 53.9% (7.9%)            | 65.9% (0%)                | 53.40%                      | 55.60%                |
| <b>Science</b>            | 80.90%                  | 71.40%                    | 75.80%                      | Unavailable           |

| <b>Multiplication Checks (Out of 25)</b> |           |              |              |               |                       |
|------------------------------------------|-----------|--------------|--------------|---------------|-----------------------|
|                                          | <b>25</b> | <b>20-25</b> | <b>15-25</b> | <b>&lt;15</b> | <b>Average Points</b> |
| <b>Year 4</b>                            | 76.70%    | 96.40%       | 98.20%       | 1.80%         | 24.2                  |

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**TRUSTEES' REPORT (CONTINUED)**  
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| <b>End of Key Stage 2</b>                 |                                         |                                             |                                             |                                     |                                         |                                         |
|-------------------------------------------|-----------------------------------------|---------------------------------------------|---------------------------------------------|-------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Subject</b>                            | <b>Expected standard: school (2023)</b> | <b>Expected standard: nationally (2023)</b> | <b>Expected standard: nationally (2022)</b> | <b>Average scaled score: school</b> | <b>Average scaled score: nationally</b> | <b>Average scaled score: nationally</b> |
| English reading                           | 83% (37%)                               | 73%                                         | 74%                                         | 108                                 | 105                                     | 105                                     |
| English grammar, punctuation and spelling | 87% (47%)                               | 72%                                         | 72%                                         | 108                                 | 105                                     | 105                                     |
| Mathematics                               | 95% (42%)                               | 73%                                         | 71%                                         | 109                                 | 104                                     | 104                                     |
| English writing (teacher assessment)      | 83% (8%)                                | 71%                                         | 69%                                         | N/A                                 | N/A                                     | N/A                                     |
| Science                                   | 78% (18%)                               | Unavailable                                 | Unavailable                                 | N/A                                 | N/A                                     | N/A                                     |
| Combined (reading, writing and maths)     | 78% (8%)                                | 59%                                         | 59%                                         | N/A                                 | N/A                                     | N/A                                     |

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**Milwards Headline Data**

GLD

| Year      | %   | National |
|-----------|-----|----------|
| 2022-2023 | 71% |          |
| 2021-2022 | 62% | 65%      |

**Phonics Screening Results**

| Year      | %   | National |
|-----------|-----|----------|
| 2022-2023 | 86% |          |
| 2021-2022 | 74% | 75%      |

**KS1 Results**

|                         | Reading | Writing | Maths | SPaG | Combined |
|-------------------------|---------|---------|-------|------|----------|
| 2023 Results            | 68%     | 41%     | 59%   | N/A  | 41%      |
| 2022 Results            | 37%     | 11%     | 42%   | N/A  | 11%      |
| National Average - 2022 | 67%     | 58%     | 68%   | N/A  |          |

**KS2 Results**

|                            | Reading      | Writing      | Maths        | SPaG         | Combined |
|----------------------------|--------------|--------------|--------------|--------------|----------|
| 2023 Results - Current     | 72% (20% GD) | 62% (7% GD)  | 79% (20% GD) | 55% (13% GD) | 55%      |
| 2022 Results               | 42%          | 35%          | 50%          | 42%          | 27%      |
| National Average           | 73%          | 71%          | 73%          | 72%          | 59%      |
| KS1 Results for current Y6 | 74% (22% GD) | 61% (13% GD) | 74% (17% GD) | N/A          | 61%      |
| Adjusted Results (-2 Chn)  | 77% (22% GD) | 66% (7%)     | 85% (22% GD) | 59% (15% GD) | 59%      |

**Key Performance Indicators (KPI)**

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Financial**

Pupil numbers are a KPI for the Trust as this is what funding is based on. Pupil numbers for 2022/23 were 736.

A further KPI is staffing costs as a percentage of total recurring income. For 2022/23 this was 75% for Henry Moore and 73% for Milwards. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by them.

The FAS Committee also monitors premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

**2023 Results/Outcomes**

The 2023 Trust outcomes have been fully reported to the Trustees.

COVID still impacts pupil progress at both schools.

It is however, pleasing to note 'growth' in attainment growing from the bottom end at Milwards, and good progress in other parts of the School in the past year.

At Henry Moore results continue to show at above national averages, as do Milwards at the lower end of the school whilst also seeing a lift in other parts of the school.

**2022-23 Absence**

Henry Moore - 4.4%

Milwards - 4.8%

Harlow Education Consortium/Trust Average - 5.7%

National Average - 6%

**Going Concern**

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

**Financial Review**

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education and Skills Funding Agency (ESFA). For the year ended 31 August 2023 the Trust received GAG and other income of £4,296,860. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent a total of £4,323,176 including capital projects. A summary of the Trust's financial results are set out below:

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|                                  | Restricted<br>General<br>Funds | Unrestrict<br>ed Funds | Fixed Asset<br>Fund | Pension<br>Reserve | Total       |
|----------------------------------|--------------------------------|------------------------|---------------------|--------------------|-------------|
| Incoming Resources               | 4,036,194                      | 209,357                | 51,309              | -                  | 4,296,860   |
| Resources Expended               | (4,045,973)                    | (81,126)               | -                   | -                  | (4,127,099) |
| LGPS Charge                      | -                              | -                      | -                   | (295,000)          | (295,000)   |
| Depreciation                     | -                              | -                      | (151,077)           | -                  | (151,077)   |
| Employer contributions paid      | -                              | -                      | -                   | 250,000            | 250,000     |
| Total Resources Expended         | (4,045,973)                    | (81,126)               | (151,077)           | (45,000)           | (4,323,176) |
| Assets Purchased from GAG        | (43,947)                       | -                      | 43,947              | -                  | -           |
| Transfers Between Funds          | (215,019)                      | 215,019                |                     |                    | -           |
| Actuarial Gains                  | -                              | -                      | -                   | 578,000            | 578,000     |
| Surplus / (Deficit) for the year | (268,745)                      | 343,250                | (55,821)            | 533,000            | 551,684     |
| Balance at 1 September 2022      | 403,054                        | 244,458                | 13,788,831          | (533,000)          | 13,903,343  |
| Balance at 31 August 2023        | 134,309                        | 587,708                | 13,733,010          | -                  | 14,455,027  |

The Local Government Pension Scheme - the Academy is recognising a pension fund valuation of £nil. While there has been a significant reduction in the opening deficit of £533,000 resulting from the application of actuarial assumptions, this does not guarantee that contribution rates will reduce and ease the cash flow effect on the Trust.

### Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Chief Finance Officer. The budget plan identifies how any reserves carried forward will be allocated in the plan for the following academic year, including the identification of any funds restricted or designated for a specific project or purpose.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £587,708 (2022: £244,458). This has been built up from a mixture of locally raised income and balances transferred from the predecessor schools.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2023 was £722,017 (2022: £647,512).

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £1,223,870 (2022: £915,488). A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Investment Policy**

An Investment Policy was approved by the Board of Trustees in December 2021.

The aim of the policy is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

**Principal Risks and Uncertainties**

The Trustees maintain a risk register identifying the major risks to which the Trust and the individual Schools are exposed and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance, Audit and Strategy Committee meeting. The principal risks facing the Trust are outlined below; those facing the Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the ESFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As a group of academy schools, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- The Trust has considerable reliance on continued Government funding through the ESFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms in the medium to longer term. Unfunded salary increases for both teaching and support coupled with the spiraling energy costs is putting a strain on budgets.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Schools is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.
- Staffing - the success of the Schools is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

- Fraud and mismanagement of funds - the Trustees have appointed Juniper to carry out a programme of internal scrutiny which includes independent and external checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area.
- Financial instruments – the Trust only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low.
- Defined benefit pension scheme liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Trust is the annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

**Estates Management**

The Trustees are mindful of implementing the recommendations set out in the ESFA Good Estates Management Guide as a tool to assess and mitigate risks associated with the management of the Trust's estate.

**Fundraising**

The Trust only held small fundraising events during the year including Parent Association events. The Trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. During the year no complaints or issues have arisen as a result of the fundraising events. All fundraising undertaken during the year was monitored by the Trustees.

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**TRUSTEES' REPORT (CONTINUED)**  
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**Plans for Future Periods**

- To ensure that leadership across the Trust at all levels is consistently good or better and makes a positive impact on the quality of provision and outcomes for all pupils.
- To ensure that all pupils make at least good progress so that all Schools continue to improve and are judged good or better.
- To ensure that each School curriculum is of a high standard, inspirational and engaging.
- To ensure that the quality of teaching is consistently good or above.
- To ensure that governance at all levels provides the appropriate challenge and support to enable the School and teacher training to thrive.
- To ensure that the Trust meets all of the requirements of the Academy Trust Handbook and is financially viable.
- To ensure that a complete set of all required policies and procedures is in place across the Trust and, where required and appropriate, on the website.
- To maximize the potential of each School, the School premises and assets of the Trust.
- To continue to develop/expand the Trust and to formalise partnerships and collaborations with other organisations that allow the Trust to develop its strategic objectives.
- To ensure that all the necessary legal structures and insurance are in place to protect and develop the Trust.
- To ensure that the Schools are as safe as possible.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Funds Held as Custodian Trustee on Behalf of Others**

There are no funds held as Custodian Trustee on behalf of others.

**Provision of Information to Auditors**

Insofar as the Trustees are aware there is no relevant audit information of which the Charitable Company's Auditors are unaware, and the Trustees have taken all the 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.

**Auditors**

The Auditors, Price Bailey LLP, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

Insofar as the trustees are aware:

- There is no relevant audit information of which the Charitable Company's Auditor is unaware.
- 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 the Board of Trustees on 20 December 2023 and signed on its behalf by:

**Dr William Cairns**  
Chair of Trustees

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**GOVERNANCE STATEMENT**

**Scope of responsibility**

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO/EHT, 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 HILT and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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

**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 4 times during the year. The Board met fewer than six times during the year and is satisfied that through the use of sub-committees it maintains effective oversight of funds. Details of such sub-committees are noted below.

Attendance during the year at meetings of the Board of Trustees was as follows:

| Trustee                                     | Meetings attended | Out of a possible |
|---------------------------------------------|-------------------|-------------------|
| Mary Evans (CEO and Executive Head Teacher) | 4                 | 4                 |
| William Cairns (Chair)                      | 4                 | 4                 |
| David Ives                                  | 4                 | 4                 |
| Julie Lane                                  | 0                 | 1                 |
| Simon Plumb                                 | 2                 | 3                 |
| Clare O'Sullivan                            | 0                 | 4                 |
| Suzanne Cassidy                             | 2                 | 4                 |
| Tom Mortimer                                | 1                 | 1                 |
| Ricky Ellam                                 | 2                 | 3                 |
| Chanel Afreh                                | 1                 | 2                 |
| Kristin Docker                              | 1                 | 1                 |

**Review of the Year**

**Governance/Leadership**

**Meeting Format**

Trustee Board, Local Governing Body (LGB) and Finance, Audit and Strategy (FAS) meetings have been held either remotely or hybrid (in person and online). Meeting formats changed during the COVID pandemic and for good reasons have remained in the same format. This format has continued to be very successful – meetings consistently run smoothly and the format helps ensure good attendance.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Single HILT LGB**

One significant change has been to move to one single HILT LGB. This was partly, as for many other schools, owing to difficulties in recruiting governors - particularly engaged, effective governors. Consultation took place across the two schools and Trustees prior to this decision being made.

The first two meetings of the single LGB took place in the summer term of 2023 and were very successful. One meeting covers business related matters and the other is focussed Curriculum and Data. The new single LGB appointed 2 very experienced co-Chairs, Clare O'Sullivan and Brian Tarran.

We also have a number of new LGB governors who are very interested in the schools and highly engaged on their responsibilities as governors. One of our new governors is also a Trustee.

We take advantage of the Trustee training provided by SBMS on an annual basis, most recently in September 2023.

**Governor Membership**

There has been some change to our governors this year.

Some very effective governors have stood down owing to work and personal commitments, but the Chair and CEO have been pro-active in recruiting new Governors, Trustees and Members for the different levels of governance in the Trust. HILT has been fortunate to recruit new governors and Trustees with transferable skills and relevant knowledge that have been helpful to the MAT.

Finance systems are now robust with the CFO being confident in her role. Support from SBMS remains in place in a reduced form. Accurate, detailed and regular Management Reports are provided for Trustees on a monthly basis.

Skills audits have also taken place in the autumn term to plan further governor development and training.

**Conflicts of Interest**

An accurate register of interests is maintained by the school office and updated termly. It is also a standing item at each governance meeting - Board, FAS committee and LGBs. Ownership or control of subsidiaries, joint ventures or associates is not applicable for the Trust.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

HILT LGB Attendance (both single and joint LGBs throughout 2022-23)

| Governor                                 | Meetings attended | Out of a possible |
|------------------------------------------|-------------------|-------------------|
| Mary Evans (Executive Headteacher)       | 6                 | 6                 |
| Sarah Cowley (Headteacher, Henry Moore)  | 4                 | 4                 |
| Suzanne Cassidy                          | 4                 | 4                 |
| Julie Lane                               | 1                 | 1                 |
| Karen Spencer                            | 2                 | 2                 |
| Christine Lee                            | 4                 | 4                 |
| Sharon Springer                          | 1                 | 4                 |
| Sue Cook                                 | 4                 | 5                 |
| Brian Tarran (Co Chair)                  | 2                 | 2                 |
| Clare O'Sullivan (Co Chair)              | 3                 | 4                 |
| Michael Doughty (Headteacher, Millwards) | 4                 | 4                 |
| Laura Geggus                             | 3                 | 4                 |
| Sam Lambert                              | 4                 | 4                 |
| Alexia Henderson                         | 0                 | 2                 |
| Ross Tyrell                              | 0                 | 2                 |
| Sue Carrington                           | 3                 | 4                 |
| Peter Jones                              | 4                 | 4                 |
| Jacqueline Yeomans                       | 2                 | 4                 |
| Andreas Evangeli                         | 3                 | 3                 |
| Lianne Sherry                            | 0                 | 4                 |
| Kirstin Docker                           | 1                 | 1                 |
| Tanica Witter                            | 1                 | 1                 |
| Kerry Coe                                | 1                 | 2                 |

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Finance, Audit and Strategy Committee (FAS)**

The Finance, Audit and Strategy (FAS) committee is a sub-committee of the main Board of Trustees.

The Finance, Audit and Strategy Committee meets on a twice termly basis, six times a year and was chaired by Mr. Simon Plumb during the year. This committee plays an important part in ensuring that HILT complies with all of the statutory requirements relating to the finance, audit and management of the schools. FAS makes recommendations to the Trust Board for their approval on a termly basis.

Throughout the past year, the Trust continued to work closely with the School Business Manager (SBM) service developing the finance and reporting systems and ensure these are robust and accurate. Management accounts are produced on a monthly basis and reviewed in depth at both FAS committee and the Trust Board. The reports are easy to interpret for both FAS and Board and facilitate a broad discussion on finance matters in both forums. The ICFP budgeting system has been fully implemented to HILT and is proving to be a useful tool for both in year budgeting and 3 year projection planning.

The Strategic Risks Register was reviewed this year as part of HILT's internal scrutiny and as such, the Risk Register was completely revised in line with recommendations. This is an important, everchanging document which identifies the level of risks across HILT. Juniper Education have continued to carry out termly Internal Control Evaluation (ICE) visits to the school which look at the systems of control in place across HILT, advising FAS and the Board on the strengths and weaknesses identified. An action plan from the ICE report is produced and approved by the Board.

During the year the following changes to the FAS committee took place:

At the end of the year Mr Simon Plumb (finance and premises management skills) resigned owing to work pressures. New members have been appointed.

Mr Ricky Allam (business management/finance experience)

Mrs Chanel Afreh (business and marketing experience)

During the year the following issues were dealt with by the FAS committee:

**Pupil Numbers/Income Generation**

FAS set up an 'Income Generation' group that has met a number of times.

Successful actions that we believe have already increased pupil numbers are:

- New school website promotional videos
- Introduction of social media information going out regularly from the schools

**East of Harlow Pupil Numbers**

Trust Chair and CEO/EHT have met with LA to discuss Henry Moore pupil numbers and reducing the PAN. The LA requested that we do not do this yet since the LA may need the school places on the east of Harlow. To support this decision the LA has committed to funding 85 places in a 90 cohort.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

**Henry Moore Extension Build**

The Committee has worked closely with the site staff and CEO/EHT on this project, reviewing the tenders and deciding which companies to appoint for the project.

The Committee has also monitored and recommended to the Board areas for specific expenditure on both premises and education.

Attendance during the year at meetings was as follows:

| FAS Member                              | Meetings attended | Out of a possible |
|-----------------------------------------|-------------------|-------------------|
| Mary Evans (Executive Headteacher)      | 6                 | 6                 |
| Sarah Cowley (Headteacher, Henry Moore) | 6                 | 6                 |
| Michael Doughty (Headteacher, Milwards) | 6                 | 6                 |
| Christine Lee (Associated Member)       | 6                 | 6                 |
| William Cairns (Chair, Board)           | 6                 | 6                 |
| Simon Plumb (Chair)                     | 3                 | 5                 |
| Julie Lane                              | 1                 | 1                 |
| Carole Toms (Compliance Member)         | 6                 | 6                 |
| Debby Hempsted (CFO)                    | 6                 | 6                 |
| Karen Spencer                           | 6                 | 6                 |
| Sam Lambert                             | 2                 | 6                 |
| Ricky Ellam                             | 4                 | 5                 |
| Chanel Afreh                            | 4                 | 4                 |

**Review of value for money**

As Accounting Officer the CEO/EHT has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Delivering the Henry Moore Extension - 5 permanent build classrooms to replace old re-locatable classrooms.
- Actioning additional improvements to the buildings at Milwards. These include EYFS outside area upgrade, toilet refurbishments, final classroom refurbished.
- HILT is continuing to work with Harlow Education Consortium/Trust to re-establish cross town local procurement of services and utilities to reduce costs.
- A governor income generation group has worked over the year to increase pupil numbers at both schools in order to increase the budgets.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

**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 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 HILT for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

The 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 FAS 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; and
- identification and management of risks.

The Board of Trustees has decided to buy-in an internal audit service from Juniper-Essex

**Internal Scrutiny/Audit**

This option has been chosen as Juniper is a reputable organisation.

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

- Financial Governance
- Risk Register
- CFP
- Staff Wellbeing

On an annual basis, the Internal Auditor reports to the Board of Trustees through the FAS Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. On an annual basis the internal reviewer prepares a summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The Internal Auditor has delivered and carried out their schedule of work to the Board of Trustees as planned and agreed.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

**Review of effectiveness**

As Accounting Officer, the CEO/EHT 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 school resource management self-assessment tool;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the External Auditors; and
- correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Strategy Committee and a plan to ensure continuous improvement of the system is in place.

Approved by the Board of Trustees and signed on their behalf by:

**Dr William Cairns**  
Chair of Trustees  
Date: 20 December 2023

**Mrs Mary Evans**  
Accounting Officer

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

**Mrs Mary Evans**  
Accounting Officer

Date: 20 December 2023

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 20 December 2023 and signed on its behalf by:

**Dr William Cairns**  
Chair of Trustees

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HARLOW INSPIRATIONAL LEARNING TRUST**

**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our Report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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 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.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HARLOW INSPIRATIONAL LEARNING TRUST (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our Report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

- the information given in the Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HARLOW INSPIRATIONAL LEARNING TRUST (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Trust and the sector in which it operates and considered the risk of the Trust not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements, including financial reporting and tax legislation. In relation to the operations of the Trust this included compliance with the Charities Act and The Academies Accounts Direction.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of any large or unusual transactions to determine whether they were significant to our assessment.
- We reviewed key controls, authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee meetings and other relevant sub-committees of the Board and agreed the financial statement disclosures to underlying supporting documentation.
- We have made enquiries of the Accounting Officer and senior management team to identify laws and regulations applicable to the Trust. We assessed details of any breaches where applicable in order to assess the impact upon the Trust.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and Board assurance reporting and the Internal Scrutiny Reports.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
HARLOW INSPIRATIONAL LEARNING TRUST (CONTINUED)**

**Use of our Report**

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

**Tom Meeks FCCA (Senior Statutory Auditor)**

for and on behalf of

**Price Bailey LLP**

Chartered Accountants

Statutory Auditors

Causeway House

1 Dane Street

Bishop's Stortford

Hertfordshire

CM23 3BT

20 December 2023

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO HARLOW  
INSPIRATIONAL LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 June 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Harlow Inspirational Learning Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Harlow Inspirational Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Harlow Inspirational Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Harlow Inspirational Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Harlow Inspirational Learning Trust's Accounting Officer and the Reporting Accountant**

The accounting officer is responsible, under the requirements of Harlow Inspirational Learning Trust's funding agreement with the Secretary of State for Education dated 29 October 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity, impropriety and non-compliance
- Consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and how the Trust complies with the framework of authorities.
- Evaluation of the general control environment of the Trust, extending the procedures required for financial statements to include regularity, propriety and compliance
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, in order to support the regularity conclusion, including governance, internal controls, procurement and the application of income.

**Conclusion**

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

Reporting Accountant  
**Price Bailey LLP**

Date: 20 December 2023

**HARLOW INSPIRATIONAL LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

|                                                                                 | Note | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | As restated<br>Total<br>funds<br>2022<br>£ |
|---------------------------------------------------------------------------------|------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|--------------------------------------------|
| <b>Income from:</b>                                                             |      |                                    |                                  |                                                 |                             |                                            |
| Donations and capital grants                                                    | 3    | 3,968                              | 62,319                           | 51,309                                          | 117,596                     | 58,382                                     |
| Other trading activities                                                        | 5    | 149,588                            | -                                | -                                               | 149,588                     | 107,109                                    |
| Charitable activities                                                           | 4    | 55,801                             | 3,973,875                        | -                                               | 4,029,676                   | 3,874,802                                  |
| <b>Total income</b>                                                             |      | <b>209,357</b>                     | <b>4,036,194</b>                 | <b>51,309</b>                                   | <b>4,296,860</b>            | <b>4,040,293</b>                           |
| <b>Expenditure on:</b>                                                          |      |                                    |                                  |                                                 |                             |                                            |
| Charitable activities                                                           | 6    | 81,126                             | 4,090,973                        | 151,077                                         | 4,323,176                   | 4,336,276                                  |
| <b>Total expenditure</b>                                                        |      | <b>81,126</b>                      | <b>4,090,973</b>                 | <b>151,077</b>                                  | <b>4,323,176</b>            | <b>4,336,276</b>                           |
| <b>Net income/<br/>(expenditure)</b>                                            |      | <b>128,231</b>                     | <b>(54,779)</b>                  | <b>(99,768)</b>                                 | <b>(26,316)</b>             | <b>(295,983)</b>                           |
| Transfers between funds                                                         | 17   | 215,019                            | (258,966)                        | 43,947                                          | -                           | -                                          |
| <b>Net movement in<br/>funds before other<br/>recognised<br/>gains/(losses)</b> |      | <b>343,250</b>                     | <b>(313,745)</b>                 | <b>(55,821)</b>                                 | <b>(26,316)</b>             | <b>(295,983)</b>                           |
| <b>Other recognised<br/>gains/(losses):</b>                                     |      |                                    |                                  |                                                 |                             |                                            |
| Actuarial gains on defined benefit pension schemes                              | 23   | -                                  | 578,000                          | -                                               | 578,000                     | 2,454,000                                  |
| <b>Net movement in<br/>funds</b>                                                |      | <b>343,250</b>                     | <b>264,255</b>                   | <b>(55,821)</b>                                 | <b>551,684</b>              | <b>2,158,017</b>                           |
| <b>Reconciliation of<br/>funds:</b>                                             |      |                                    |                                  |                                                 |                             |                                            |
| Total funds brought forward                                                     |      | 244,458                            | (129,946)                        | 13,788,831                                      | 13,903,343                  | 11,745,326                                 |
| Net movement in funds                                                           |      | 343,250                            | 264,255                          | (55,821)                                        | 551,684                     | 2,158,017                                  |
| <b>Total funds carried forward</b>                                              |      | <b>587,708</b>                     | <b>134,309</b>                   | <b>13,733,010</b>                               | <b>14,455,027</b>           | <b>13,903,343</b>                          |

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

The notes on pages 33 to 58 form part of these financial statements.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 09791050**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

|                                                         | Note | 2023<br>£                | 2022<br>£                |
|---------------------------------------------------------|------|--------------------------|--------------------------|
| <b>Fixed assets</b>                                     |      |                          |                          |
| Tangible assets                                         | 13   | 12,655,801               | 12,319,781               |
| <b>Current assets</b>                                   |      |                          |                          |
| Debtors                                                 | 14   | 1,045,595                | 1,523,028                |
| Cash at bank and in hand                                | 19   | 1,223,870                | 915,488                  |
|                                                         |      | <u>2,269,465</u>         | <u>2,438,516</u>         |
| Creditors: amounts falling due within one year          | 15   | (460,719)                | (310,054)                |
| <b>Net current assets</b>                               |      | <u>1,808,746</u>         | <u>2,128,462</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>14,464,547</u>        | <u>14,448,243</u>        |
| Creditors: amounts falling due after more than one year | 16   | (9,520)                  | (11,900)                 |
| <b>Net assets excluding pension asset / liability</b>   |      | <u>14,455,027</u>        | <u>14,436,343</u>        |
| Defined benefit pension scheme asset / liability        | 23   | -                        | (533,000)                |
| <b>Total net assets</b>                                 |      | <u><u>14,455,027</u></u> | <u><u>13,903,343</u></u> |
| <b>Funds of the Trust</b>                               |      |                          |                          |
| <b>Restricted funds:</b>                                |      |                          |                          |
| Fixed asset funds                                       | 17   | 13,733,010               | 13,788,831               |
| Restricted income funds                                 | 17   | 134,309                  | 403,054                  |
|                                                         |      | <u>13,867,319</u>        | <u>14,191,885</u>        |
| Restricted funds excluding pension liability            | 17   | 13,867,319               | 14,191,885               |
| Pension reserve                                         | 17   | -                        | (533,000)                |
| <b>Total restricted funds</b>                           | 17   | <u>13,867,319</u>        | <u>13,658,885</u>        |
| <b>Unrestricted income funds</b>                        | 17   | <u>587,708</u>           | <u>244,458</u>           |
| <b>Total funds</b>                                      |      | <u><u>14,455,027</u></u> | <u><u>13,903,343</u></u> |

The financial statements on pages 30 to 58 were approved by the Trustees, and authorised for issue on 20 December 2023 and are signed on their behalf, by:

**Mrs Mary Evans**  
Accounting Officer

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

|                                                         | Note   | 2023<br>£ | 2022<br>£ |
|---------------------------------------------------------|--------|-----------|-----------|
| <b>Cash flows from operating activities</b>             |        |           |           |
| Net cash provided by operating activities               | 19     | 310,017   | 188,574   |
| <b>Cash flows from investing activities</b>             | 20     | (1,635)   | (24,964)  |
| <b>Change in cash and cash equivalents in the year</b>  |        | 308,382   | 163,610   |
| Cash and cash equivalents at the beginning of the year  |        | 915,488   | 751,878   |
| <b>Cash and cash equivalents at the end of the year</b> | 21, 22 | 1,223,870 | 915,488   |

The notes on pages 33 to 58 form part of these financial statements

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 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 i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Trust derives the majority of its income from local and national Government grant funding which is secured for a number of years, under the terms of the Academy Funding Agreement with the Secretary of State for Education. This will ensure that the Trust can continue operating for a period of at least 12 months following the date of this report. The financial statements do not contain any adjustments that would be required if the Trust were not able to continue as a going concern.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.3 Income**

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where 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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance Sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

- **Donations**

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

- **Other income**

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

**1.4 Expenditure**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.5 Tangible fixed assets**

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

|                         |                          |
|-------------------------|--------------------------|
| Freehold property       | - 50 years straight line |
| Furniture and equipment | - 10 years straight line |
| Computer equipment      | - 5 years straight line  |

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 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.7 Cash at bank and in hand**

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

**1.8 Liabilities**

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

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.9 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. 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.

**1.10 Pensions**

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

If pension scheme assets are more than liabilities a surplus is recognised only to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the scheme. Any change in the restriction of the surplus is an actuarial gain or loss and is recognised in other recognised gains and losses.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.11 Operating Leases**

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

**1.12 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

At the balance sheet date the pension scheme assets were more than the liabilities, resulting in a surplus. It was necessary to determine the extent to which this surplus was capable of being recovered either through reduced contributions in the future or through refunds from the scheme. A refund is only available on ceasing to participate in the scheme, which is not practicably possible whilst the Trust continues in operation due to the requirement to provide access to the scheme to relevant employees and would not be possible if the trust were to cease operations as these operations would be transferred to another academy trust that would take over any asset. With regard to reductions in contributions the Trust is pooled with other Trusts in the setting of its contribution rates under the scheme. In addition the Trust considers there to be a minimum funding requirement in respect of its contributions. Consequently the Trust does not consider that it is able to recover the surplus through reduced contributions in the future and has therefore restricted the surplus recognised to £nil.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
(A Company Limited by Guarantee)

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

**3. Income from donations and capital grants**

|                        | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | As restated<br>Total<br>funds<br>2022<br>£ |
|------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|--------------------------------------------|
| Donations              | 3,968                              | 62,319                           | -                                               | 66,287                      | 42,055                                     |
| Capital grants         | -                                  | -                                | 51,309                                          | 51,309                      | 16,327                                     |
| <b>Total 2023</b>      | <u>3,968</u>                       | <u>62,319</u>                    | <u>51,309</u>                                   | <u>117,596</u>              | <u>58,382</u>                              |
| Total 2022 as restated | <u>3,838</u>                       | <u>37,824</u>                    | <u>16,720</u>                                   | <u>58,382</u>               |                                            |

In 2022, income from donations was £42,055 of which all were restricted.

In 2022, income from capital grants was £16,327 of which all was in relation to restricted fixed assets.

The 2022 donations has been restated to include £35,380 that was included in expenditure.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
(A Company Limited by Guarantee)

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

**4. Funding for the Trust's charitable activities**

|                                                             | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------------------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| <b>Provision of Education</b>                               |                                    |                                  |                             |                             |
| <b>DfE/ESFA grants</b>                                      |                                    |                                  |                             |                             |
| General Annual Grant (GAG)                                  | -                                  | 3,198,322                        | 3,198,322                   | 3,116,073                   |
| Other DfE/ESFA grants                                       |                                    |                                  |                             |                             |
| Pupil Premium                                               | -                                  | 182,098                          | 182,098                     | 155,890                     |
| Universal Infant Fress School Meal                          | -                                  | 101,426                          | 101,426                     | 112,537                     |
| PE & Sports Grant                                           | -                                  | 41,116                           | 41,116                      | 35,424                      |
| Rates Reclaim                                               | -                                  | 18,407                           | 18,407                      | 32,717                      |
| Teachers Pension Grant                                      | -                                  | 1,757                            | 1,757                       | 2,852                       |
| Teachers Pay Grant                                          | -                                  | 622                              | 622                         | 1,009                       |
| Other Dfe Revenue Grants                                    | -                                  | 184,193                          | 184,193                     | 76,909                      |
|                                                             | -                                  | 3,727,941                        | 3,727,941                   | 3,533,411                   |
| <b>Other Government grants</b>                              |                                    |                                  |                             |                             |
| LA - SEN                                                    | -                                  | 102,760                          | 102,760                     | 110,766                     |
| LE - Early Years                                            | -                                  | 60,519                           | 60,519                      | 87,294                      |
| LA - Other Grants                                           | -                                  | 82,655                           | 82,655                      | 92,516                      |
|                                                             | -                                  | 245,934                          | 245,934                     | 290,576                     |
| <b>Other income from the Trust's provision of education</b> | 55,801                             | -                                | 55,801                      | 50,815                      |
|                                                             | 55,801                             | 3,973,875                        | 4,029,676                   | 3,874,802                   |
| <b>Total 2023</b>                                           | 55,801                             | 3,973,875                        | 4,029,676                   | 3,874,802                   |
| <b>Total 2022</b>                                           | 50,815                             | 3,823,987                        | 3,874,802                   |                             |

In 2022, income from DfE/ESFA grants was £3,533,411, all of which was restricted.

In 2022, income from Other Government grants was £290,576, all of which was restricted.

In 2022, income from catering was £50,815, all of which was unrestricted.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
(A Company Limited by Guarantee)

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

**5. Income from other trading activities**

|                   | Unrestricted<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ | Total<br>funds<br>2022<br>£ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Club income       | 96,900                             | 96,900                      | 91,068                      |
| Other income      | 52,688                             | 52,688                      | 16,041                      |
| <b>Total 2023</b> | <u>149,588</u>                     | <u>149,588</u>              | <u>107,109</u>              |
| Total 2022        | <u>107,109</u>                     | <u>107,109</u>              |                             |

In 2022, club income was £91,068 of which all was unrestricted.

In 2022, other income was £16,041 of which all was unrestricted.

**6. Expenditure**

|                         | Staff Costs<br>2023<br>£ | Premises<br>2023<br>£ | Other<br>2023<br>£ | Total<br>2023<br>£ | As restated<br>Total<br>2022<br>£ |
|-------------------------|--------------------------|-----------------------|--------------------|--------------------|-----------------------------------|
| Provision of Education: |                          |                       |                    |                    |                                   |
| Direct costs            | 2,720,980                | -                     | 154,309            | 2,875,289          | 2,855,793                         |
| Support costs           | 770,914                  | 363,410               | 313,563            | 1,447,887          | 1,480,483                         |
| <b>Total 2023</b>       | <u>3,491,894</u>         | <u>363,410</u>        | <u>467,872</u>     | <u>4,323,176</u>   | <u>4,336,276</u>                  |
| Total 2022 as restated  | <u>3,510,202</u>         | <u>366,551</u>        | <u>459,523</u>     | <u>4,336,276</u>   |                                   |

In 2023, of the total expenditure, £81,126 (2022: £155,267) was from unrestricted funds, £4,090,973 (2022: £3,993,670) was from restricted funds and £151,077 (2022: £151,959) was from restricted fixed asset funds.

The 2022 direct costs have been restated to remove £35,380 of donations that was included in expenditure.

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Charitable Activities**

|               | 2023<br>£        | As restated<br>2022<br>£ |
|---------------|------------------|--------------------------|
| Direct costs  | 2,875,289        | 2,855,793                |
| Support costs | 1,447,887        | 1,480,483                |
| <b>Total</b>  | <u>4,323,176</u> | <u>4,336,276</u>         |

|                                         | 2023<br>£        | 2022<br>£        |
|-----------------------------------------|------------------|------------------|
| <b>Analysis of support costs:</b>       |                  |                  |
| Support staff costs                     | 770,914          | 803,945          |
| Depreciation                            | 151,077          | 144,354          |
| Technology costs                        | 493              | 14,715           |
| Premises costs (excluding depreciation) | 212,333          | 215,490          |
| Other support costs                     | 293,718          | 285,594          |
| Governance costs                        | 17,148           | 16,385           |
| Legal costs                             | 2,204            | -                |
| <b>Total</b>                            | <u>1,447,887</u> | <u>1,480,483</u> |

**8. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

|                                       | 2023<br>£    | 2022<br>£    |
|---------------------------------------|--------------|--------------|
| Operating lease rentals               | 2,576        | 736          |
| Depreciation of tangible fixed assets | 151,077      | 144,354      |
| Fees paid to Auditors for:            |              |              |
| - Audit                               | 9,380        | 8,520        |
| - Other services                      | <u>9,765</u> | <u>8,485</u> |

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**9. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

|                       | 2023<br>£        | 2022<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,654,169        | 2,479,927        |
| Social security costs | 229,025          | 209,528          |
| Pension costs         | 597,049          | 820,747          |
|                       | <u>3,480,243</u> | <u>3,510,202</u> |
| Severance payments    | 11,651           | -                |
|                       | <u>3,491,894</u> | <u>3,510,202</u> |

Staff restructuring costs comprise:

**b. Severance payments**

The Trust paid 2 severance payments in the year (2022 - none) disclosed in the following bands:

|              | 2023<br>No. | 2022<br>No. |
|--------------|-------------|-------------|
| £0 - £25,000 | <u>2</u>    | <u>-</u>    |

**c. Staff numbers**

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

|                            | 2023<br>No. | 2022<br>No. |
|----------------------------|-------------|-------------|
| Teachers                   | 32          | 32          |
| Administration and Support | 87          | 78          |
| Management                 | 4           | 4           |
|                            | <u>123</u>  | <u>114</u>  |

**d. Higher paid staff**

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

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**9. Staff (continued)**

**d. Higher paid staff (continued)**

|                               | 2023<br>No. | 2022<br>No. |
|-------------------------------|-------------|-------------|
| In the band £60,001 - £70,000 | 1           | 2           |
| In the band £70,001 - £80,000 | 2           | 1           |
|                               | <u>2</u>    | <u>1</u>    |

**e. Key management personnel**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £427,704 (2022 - £404,360). Included in this are employer pension contributions of £63,662 (2022 - £59,771) and employer national insurance contributions of £39,105 (2022 - £37,597).

**10. Central services**

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

- HR and Leadership costs
- Governance costs
- Technology costs
- Support staff costs

The Trust charges for these services by taking a proportion of each School's General Annual Grant.

The actual amounts charged during the year were as follows:

|                                | 2023<br>£      | 2022<br>£      |
|--------------------------------|----------------|----------------|
| The Henry Moore Primary School | 224,858        | 212,511        |
| The Milwards Primary School    | 85,990         | 73,572         |
| <b>Total</b>                   | <u>310,848</u> | <u>286,083</u> |

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**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The Executive Headteacher and any other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

|                                       |              | 2023<br>£          | 2022<br>£          |
|---------------------------------------|--------------|--------------------|--------------------|
| Mrs Mary Evans, Executive Headteacher | Remuneration | 55,000 -<br>60,000 | 50,000 -<br>55,000 |

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023 was included in the total insurance cost.

**13. Tangible fixed assets**

|                          | Freehold<br>property<br>£ | Assets under<br>construction<br>£ | Furniture and<br>equipment<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|--------------------------|---------------------------|-----------------------------------|---------------------------------|----------------------------|------------|
| <b>Cost or valuation</b> |                           |                                   |                                 |                            |            |
| At 1 September 2022      | 12,783,901                | -                                 | 266,396                         | 195,242                    | 13,245,539 |
| Additions                | -                         | 394,420                           | 87,581                          | 5,096                      | 487,097    |
| At 31 August 2023        | 12,783,901                | 394,420                           | 353,977                         | 200,338                    | 13,732,636 |
| <b>Depreciation</b>      |                           |                                   |                                 |                            |            |
| At 1 September 2022      | 692,410                   | -                                 | 100,172                         | 133,176                    | 925,758    |
| Charge for the year      | 110,407                   | -                                 | 31,232                          | 9,438                      | 151,077    |
| At 31 August 2023        | 802,817                   | -                                 | 131,404                         | 142,614                    | 1,076,835  |
| <b>Net book value</b>    |                           |                                   |                                 |                            |            |
| At 31 August 2023        | 11,981,084                | 394,420                           | 222,573                         | 57,724                     | 12,655,801 |
| At 31 August 2022        | 12,091,491                | -                                 | 166,224                         | 62,066                     | 12,319,781 |

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**14. Debtors**

|                                | 2023<br>£        | As restated<br>2022<br>£ |
|--------------------------------|------------------|--------------------------|
| <b>Due within one year</b>     |                  |                          |
| Trade debtors                  | 123              | 500                      |
| VAT repayable                  | 9,373            | 4,016                    |
| Prepayments and accrued income | 60,891           | 55,462                   |
| Accrued CIF Income             | 975,208          | 1,463,050                |
|                                | <u>1,045,595</u> | <u>1,523,028</u>         |

We have restated the prior year accrued income so that the accrued CIF Income is separated as Grants receivable.

**15. Creditors: Amounts falling due within one year**

|                                    | 2023<br>£      | As restated<br>2022<br>£ |
|------------------------------------|----------------|--------------------------|
| Trade creditors                    | 47,077         | 203                      |
| Other taxation and social security | 50,362         | 47,806                   |
| Other creditors                    | 66,821         | 67,591                   |
| Accruals and deferred income       | 296,459        | 194,454                  |
|                                    | <u>460,719</u> | <u>310,054</u>           |

  

|                                        | 2023<br>£     | 2022<br>£     |
|----------------------------------------|---------------|---------------|
| Deferred income at 1 September 2022    | 69,720        | 66,522        |
| Resources deferred during the year     | 75,458        | 69,720        |
| Amounts released from previous periods | (69,720)      | (66,522)      |
|                                        | <u>75,458</u> | <u>69,720</u> |

Deferred income relates to universal infant free school meals and other funding received during the year which relates to the 2023/24 academic year.

We have restated the prior year other tax and social security to remove a VAT balance of £1,185 that should have been offset against the VAT repayable in note 14.

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**16. Creditors: Amounts falling due after more than one year**

|            | 2023<br>£         | 2022<br>£         |
|------------|-------------------|-------------------|
| Salix Loan | 9,520             | 11,900            |
|            | <u>          </u> | <u>          </u> |

Included within the above are amounts falling due as follows:

|                                  | 2023<br>£         | 2022<br>£         |
|----------------------------------|-------------------|-------------------|
| <b>Between one and two years</b> |                   |                   |
| Salix Loan                       | 2,380             | 2,380             |
|                                  | <u>          </u> | <u>          </u> |

**Between two and five years**

|            |                   |                   |
|------------|-------------------|-------------------|
| Salix Loan | 7,140             | 9,520             |
|            | <u>          </u> | <u>          </u> |

An interest free Salix Loan of £19,040 was provided to the Trust.

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**17. Statement of funds**

|                                     | Balance at 1<br>September<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2023<br>£ |
|-------------------------------------|----------------------------------------|-------------|------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>           |                                        |             |                  |                          |                         |                                      |
| Unrestricted funds                  | 244,458                                | 209,357     | (81,126)         | 215,019                  | -                       | 587,708                              |
| <b>Restricted general funds</b>     |                                        |             |                  |                          |                         |                                      |
| General Annual Grant (GAG)          | 403,054                                | 3,198,322   | (3,208,101)      | (258,966)                | -                       | 134,309                              |
| Pupil Premium                       | -                                      | 182,098     | (182,098)        | -                        | -                       | -                                    |
| Other DfE / ESFA grants             | -                                      | 347,521     | (347,521)        | -                        | -                       | -                                    |
| Other Government grants             | -                                      | 245,934     | (245,934)        | -                        | -                       | -                                    |
| Donations                           | -                                      | 62,319      | (62,319)         | -                        | -                       | -                                    |
| Pension reserve                     | (533,000)                              | -           | (45,000)         | -                        | 578,000                 | -                                    |
|                                     | (129,946)                              | 4,036,194   | (4,090,973)      | (258,966)                | 578,000                 | 134,309                              |
| <b>Restricted fixed asset funds</b> |                                        |             |                  |                          |                         |                                      |
| Restricted fixed asset funds        | 12,319,781                             | -           | (151,077)        | 487,097                  | -                       | 12,655,801                           |
| Devolved Formula Capital (DFC)      | 6,000                                  | 51,309      | -                | (48,730)                 | -                       | 8,579                                |
| CIF grant                           | 1,463,050                              | -           | -                | (394,420)                | -                       | 1,068,630                            |
|                                     | 13,788,831                             | 51,309      | (151,077)        | 43,947                   | -                       | 13,733,010                           |
| <b>Total Restricted funds</b>       | 13,658,885                             | 4,087,503   | (4,242,050)      | (215,019)                | 578,000                 | 13,867,319                           |
| <b>Total funds</b>                  | 13,903,343                             | 4,296,860   | (4,323,176)      | -                        | 578,000                 | 14,455,027                           |

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**17. Statement of funds (continued)**

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

**General Annual Grant (GAG)**

This represents funding from the ESFA to cover the costs of recurrent expenditure. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

A transfer from General Annual Grant to Unrestricted funds has been made to account for overspent resources serviced from unrestricted funds in previous years.

**Pupil Premium**

This funding is to be used to raise achievement and improve outcomes for pupils from low income families who are eligible for free school meals.

**Other DfE and ESFA funding**

This represents funding received from the DfE/ESFA which is restricted in nature including sports premium and other revenue grants.

**Other Government grants**

This represents funding received from other Government bodies, local and national, which are restricted in nature.

**Donations**

This represents contributions made by parents towards the running costs of trips for the pupils of the Schools and their associated costs.

**Pension reserve**

This reserve represents the Trust's share of the deficit of the Local Government Pension Scheme (LGPS)

**Restricted fixed asset fund**

Restricted fixed asset fund represents the value of the fixed asset held in line with the charitable objectives of the Trust. The transfer between funds represents additions purchased from revenue funding.

**Devolved Formula Capital (DFC)**

This represents funding received from the ESFA especially for the maintenance and improvement of the Trust's building and facilities.

**CIF Grant**

This represents funding received from the ESFA especially for the maintenance and improvement of the Trust's building and facilities.

**Unrestricted funds**

This represents income received that does not have restrictions.

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**17. Statement of funds (continued)**

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

|                                     | Balance at<br>1 September<br>2021<br>£ | Income<br>£             | Expenditure<br>£          | Transfers<br>in/out<br>£ | Gains/<br>(Losses)<br>£ | Balance at<br>31 August<br>2022<br>£ |
|-------------------------------------|----------------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|--------------------------------------|
| <b>Unrestricted funds</b>           |                                        |                         |                           |                          |                         |                                      |
| General Funds - all funds           | 241,801                                | 157,924                 | (155,267)                 | -                        | -                       | 244,458                              |
| <b>Restricted general funds</b>     |                                        |                         |                           |                          |                         |                                      |
| General Annual Grant (GAG)          | 191,059                                | 3,116,073               | (2,876,253)               | (27,825)                 | -                       | 403,054                              |
| Pupil Premium                       | 33,151                                 | 155,890                 | (189,041)                 | -                        | -                       | -                                    |
| Other DfE / ESFA grants             | 39,070                                 | 261,448                 | (300,518)                 | -                        | -                       | -                                    |
| Other Government grants             | -                                      | 290,576                 | (290,576)                 | -                        | -                       | -                                    |
| Donations                           | -                                      | 6,282                   | (6,282)                   | -                        | -                       | -                                    |
| Pension reserve                     | (2,656,000)                            | -                       | (331,000)                 | -                        | 2,454,000               | (533,000)                            |
|                                     | <u>(2,392,720)</u>                     | <u>3,830,269</u>        | <u>(3,993,670)</u>        | <u>(27,825)</u>          | <u>2,454,000</u>        | <u>(129,946)</u>                     |
| <b>Restricted fixed asset funds</b> |                                        |                         |                           |                          |                         |                                      |
| Restricted fixed asset funds        | 12,418,857                             | -                       | (144,354)                 | 45,278                   | -                       | 12,319,781                           |
| Devolved Formula Capital (DFC)      | 7,333                                  | 16,327                  | (207)                     | (17,453)                 | -                       | 6,000                                |
| CIF grant                           | 1,470,055                              | -                       | (7,005)                   | -                        | -                       | 1,463,050                            |
| Other capital grants                | -                                      | 393                     | (393)                     | -                        | -                       | -                                    |
|                                     | <u>13,896,245</u>                      | <u>16,720</u>           | <u>(151,959)</u>          | <u>27,825</u>            | <u>-</u>                | <u>13,788,831</u>                    |
| <b>Total Restricted funds</b>       | <u>11,503,525</u>                      | <u>3,846,989</u>        | <u>(4,145,629)</u>        | <u>-</u>                 | <u>2,454,000</u>        | <u>13,658,885</u>                    |
| <b>Total funds</b>                  | <u><u>11,745,326</u></u>               | <u><u>4,004,913</u></u> | <u><u>(4,300,896)</u></u> | <u><u>-</u></u>          | <u><u>2,454,000</u></u> | <u><u>13,903,343</u></u>             |

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**17. Statement of funds (continued)**

**Total funds analysis by Academy**

Fund balances at 31 August 2023 were allocated as follows:

|                                                    | 2023<br>£         | 2022<br>£         |
|----------------------------------------------------|-------------------|-------------------|
| Henry Moore Primary School                         | 704,416           | 654,491           |
| Milwards Primary School                            | 111,235           | 69,390            |
| Central Services                                   | (93,634)          | (76,369)          |
|                                                    | <hr/>             | <hr/>             |
| Total before fixed asset funds and pension reserve | 722,017           | 647,512           |
| Restricted fixed asset fund                        | 13,733,010        | 13,788,831        |
| Pension reserve                                    | -                 | (533,000)         |
|                                                    | <hr/>             | <hr/>             |
| <b>Total</b>                                       | <b>14,455,027</b> | <b>13,903,343</b> |
|                                                    | <hr/> <hr/>       | <hr/> <hr/>       |

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**17. Statement of funds (continued)**

**Total cost analysis by Academy**

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

|                               | Teaching<br>and<br>educational<br>support staff<br>costs<br>£ | Other<br>support staff<br>costs<br>£ | Educational<br>supplies<br>£ | Other costs<br>excluding<br>depreciation<br>£ | Total<br>2023<br>£ | Total<br>2022<br>£ |
|-------------------------------|---------------------------------------------------------------|--------------------------------------|------------------------------|-----------------------------------------------|--------------------|--------------------|
| Henry Moore<br>Primary School | 1,738,942                                                     | 499,722                              | 98,599                       | 525,899                                       | 2,863,162          | 2,659,946          |
| Milwards<br>Primary School    | 851,714                                                       | 119,786                              | 48,701                       | 225,952                                       | 1,246,153          | 1,178,127          |
| Central services              | 130,324                                                       | 151,406                              | 1,585                        | 90,317                                        | 373,632            | 353,849            |
| <b>Trust</b>                  | <b>2,720,980</b>                                              | <b>770,914</b>                       | <b>148,885</b>               | <b>842,168</b>                                | <b>4,482,947</b>   | <b>4,191,922</b>   |

**18. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

|                                     | Unrestricted<br>funds<br>2023<br>£ | Restricted<br>funds<br>2023<br>£ | Restricted<br>fixed asset<br>funds<br>2023<br>£ | Total<br>funds<br>2023<br>£ |
|-------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Tangible fixed assets               | -                                  | -                                | 12,655,801                                      | 12,655,801                  |
| Current assets                      | 601,054                            | 427,608                          | 1,240,803                                       | 2,269,465                   |
| Creditors due within one year       | (13,346)                           | (293,299)                        | (154,074)                                       | (460,719)                   |
| Creditors due in more than one year | -                                  | -                                | (9,520)                                         | (9,520)                     |
| <b>Total</b>                        | <b>587,708</b>                     | <b>134,309</b>                   | <b>13,733,010</b>                               | <b>14,455,027</b>           |

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**18. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior year**

|                                        | Unrestricted<br>funds<br>2022<br>£ | Restricted<br>funds<br>2022<br>£ | Restricted<br>fixed asset<br>funds<br>2022<br>£ | Total<br>funds<br>2022<br>£ |
|----------------------------------------|------------------------------------|----------------------------------|-------------------------------------------------|-----------------------------|
| Tangible fixed assets                  | -                                  | -                                | 12,319,781                                      | 12,319,781                  |
| Current assets                         | 244,458                            | 725,008                          | 1,469,050                                       | 2,438,516                   |
| Creditors due within one year          | -                                  | (310,054)                        | -                                               | (310,054)                   |
| Creditors due in more than one year    | -                                  | (11,900)                         | -                                               | (11,900)                    |
| Provisions for liabilities and charges | -                                  | (533,000)                        | -                                               | (533,000)                   |
| <b>Total</b>                           | <b>244,458</b>                     | <b>(129,946)</b>                 | <b>13,788,831</b>                               | <b>13,903,343</b>           |

**19. Reconciliation of net expenditure to net cash flow from operating activities**

|                                                                         | 2023<br>£      | 2022<br>£      |
|-------------------------------------------------------------------------|----------------|----------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (26,316)       | (295,983)      |
| <b>Adjustments for:</b>                                                 |                |                |
| Depreciation                                                            | 151,077        | 144,354        |
| Capital grants from DfE                                                 | (487,842)      | (23,002)       |
| Decrease in debtors                                                     | 477,433        | 13,850         |
| Increase in creditors                                                   | 150,665        | 18,355         |
| Pension liability movements                                             | 45,000         | 331,000        |
| <b>Net cash provided by operating activities</b>                        | <b>310,017</b> | <b>188,574</b> |

**20. Cash flows from investing activities**

|                                              | 2023<br>£      | 2022<br>£       |
|----------------------------------------------|----------------|-----------------|
| Capital grants from DfE                      | 487,842        | 23,002          |
| Purchase of tangible fixed assets            | (487,097)      | (45,586)        |
| Repayments of borrowings                     | (2,380)        | (2,380)         |
| <b>Net cash used in investing activities</b> | <b>(1,635)</b> | <b>(24,964)</b> |

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**21. Analysis of cash and cash equivalents**

|                          | 2023<br>£ | 2022<br>£ |
|--------------------------|-----------|-----------|
| Cash in hand and at bank | 1,223,870 | 915,488   |

**22. Analysis of changes in net debt**

|                          | At 1<br>September<br>2022<br>£ | Cash flows<br>£ | At 31 August<br>2023<br>£ |
|--------------------------|--------------------------------|-----------------|---------------------------|
| Cash at bank and in hand | 915,488                        | 308,382         | 1,223,870                 |
| Debt due within 1 year   | 2,380                          | -               | 2,380                     |
| Debt due after 1 year    | 11,900                         | (2,380)         | 9,520                     |
|                          | <u>929,768</u>                 | <u>306,002</u>  | <u>1,235,770</u>          |

**23. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £62,632 were payable to the schemes at 31 August 2023 (2022 - £58,337) and are included within creditors.

**Teachers' Pension Scheme**

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

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**23. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £322,324 (2022 - £306,615).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £308,000 (2022 - £277,000), of which employer's contributions totalled £250,000 (2022 - £224,000) and employees' contributions totalled £58,000 (2022 - £53,000). The agreed contribution rates for future years are 23.6 per cent for employers and between 5.5% and 12.5% per cent for employees.

As described in note the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

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**NOTES TO THE FINANCIAL STATEMENTS  
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**23. Pension commitments (continued)**

**Principal actuarial assumptions**

|                                                    | 2023<br>% | 2022<br>% |
|----------------------------------------------------|-----------|-----------|
| Rate of increase in salaries                       | 3.85      | 3.95      |
| Rate of increase for pensions in payment/inflation | 2.85      | 2.95      |
| Discount rate for scheme liabilities               | 5.30      | 4.25      |
| Inflation assumption (CPI)                         | 2.85      | 2.95      |
| Inflation assumption (RPI)                         | 3.85      | 3.95      |

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

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

As at 31 August 2023 the Trust had a defined benefit obligation of £3,204,000 (2022 - £3,136,000). The sensitivity analysis detailed below would increase/ (decrease) the closing defined benefit obligation in the following way:

**Sensitivity analysis**

|                                        | 2023<br>£000 | 2022<br>£000 |
|----------------------------------------|--------------|--------------|
| Discount rate +0.1%                    | (60)         | (72)         |
| Discount rate -0.1%                    | 62           | 74           |
| Mortality assumption - 1 year increase | 91           | 91           |
| Mortality assumption - 1 year decrease | (88)         | (88)         |
| CPI rate +0.1%                         | 60           | 70           |
| CPI rate -0.1%                         | (59)         | (68)         |

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**23. Pension commitments (continued)**

**Share of scheme assets**

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

|                                     | At 31 August<br>2023<br>£ | At 31 August<br>2022<br>£ |
|-------------------------------------|---------------------------|---------------------------|
| Equities                            | 1,900,000                 | 1,465,000                 |
| Gilts                               | 42,000                    | 50,000                    |
| Bonds                               | -                         | 115,000                   |
| Property                            | 256,000                   | 246,000                   |
| Cash and other liquid assets        | 96,000                    | 78,000                    |
| Alternative assets                  | 517,000                   | 390,000                   |
| Other managed funds                 | 456,000                   | 259,000                   |
| <b>Total market value of assets</b> | <u>3,267,000</u>          | <u>2,603,000</u>          |

The scheme's assets are valued at £3,267,000, due to this resulting in assets exceeding liabilities a surplus exists. The surplus has been capped by an asset ceiling calculated by the actuary based on application of the scheme rules which state that the trust only has a limited entitlement to future economic benefit resulting from the actuarial valuation. The value of the is £63,000 which has restricted the value of assets recognised in the accounts to £3,204,000.

The actual return on scheme assets was £64,000 (2022 - £6,000).

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

|                                                                         | 2023<br>£      | 2022<br>£      |
|-------------------------------------------------------------------------|----------------|----------------|
| Current service cost                                                    | 276,000        | 512,000        |
| Interest income                                                         | (117,000)      | (41,000)       |
| Interest cost                                                           | 134,000        | 83,000         |
| Administrative expenses                                                 | 2,000          | 1,000          |
| <b>Total amount recognised in the Statement of Financial Activities</b> | <u>295,000</u> | <u>555,000</u> |

**HARLOW INSPIRATIONAL LEARNING TRUST**  
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**23. Pension commitments (continued)**

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

|                        | 2023<br>£        | 2022<br>£        |
|------------------------|------------------|------------------|
| <b>At 1 September</b>  | 3,136,000        | 4,985,000        |
| Current service cost   | 276,000          | 512,000          |
| Interest cost          | 134,000          | 83,000           |
| Employee contributions | 58,000           | 53,000           |
| Actuarial gains        | (373,000)        | (2,489,000)      |
| Benefits paid          | (27,000)         | (8,000)          |
| <b>At 31 August</b>    | <u>3,204,000</u> | <u>3,136,000</u> |

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

|                          | 2023<br>£        | 2022<br>£        |
|--------------------------|------------------|------------------|
| <b>At 1 September</b>    | 2,603,000        | 2,329,000        |
| Administration expenses  | (2,000)          | (1,000)          |
| Interest income          | 117,000          | 41,000           |
| Actuarial (losses)/gains | 205,000          | (35,000)         |
| Employer contributions   | 250,000          | 224,000          |
| Employee contributions   | 58,000           | 53,000           |
| Benefits paid            | (27,000)         | (8,000)          |
| <b>At 31 August</b>      | <u>3,204,000</u> | <u>2,603,000</u> |

**24. Operating lease commitments**

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

|                         | 2023<br>£    | 2022<br>£    |
|-------------------------|--------------|--------------|
| <b>Amounts payable:</b> |              |              |
| Within 1 year           | 2,264        | 2,576        |
| Between 1 and 5 years   | -            | 2,264        |
|                         | <u>2,264</u> | <u>4,840</u> |

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**25. Members' liability**

Each Member of the Charitable Company undertakes to contribute to the assets of the Company in the event of it being wound up while 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 he/she ceases to be a Member.

**26. Related party transactions**

Owing to the nature of the Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The sister-in-law of the Accounting Officer, Mary Evans, is employed by the Trust as a catch-up tutor. This remuneration package is in line with the standard payscales for the role undertaken.

There were no other related party transactions in the year (2022: £nil) except for remuneration in note 11.