



**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	J Helleur J Martin L Pipe D Syndercombe Court P Wallace A Watson
<b>Directors</b>	V Hiscock B Holledge, Chief Executive D Hughes M Hydes (resigned 20 September 2022) V Karas P Loft D Marsh (appointed 16 December 2022) J Martin, Vice Chair L Pipe (appointed 25 July 2023) A Rahman D Syndercombe Court C Wagstaff (appointed 28 September 2023) D Willis, Chairman
<b>Company registered number</b>	08469218
<b>Company name</b>	Paradigm Trust
<b>Registered office</b>	Culloden Primary Academy Dee Street London E14 0PT
<b>Principal operating office</b>	Piper's Vale Primary Academy Raeburn Road Ipswich IP3 0EW
<b>Company secretary</b>	Emma Vehit
<b>Chief Executive Officer</b>	Bill Holledge

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Senior management team**

Bill Holledge, Chief Executive Officer and Accounting Officer  
Jon Ruddock, Chief Finance Officer  
Ben Carter, Director of School Improvement  
Janet McKenzie, Principal at Solebay Primary Academy  
Abbie Thorrington, Principal at Ipswich Academy  
Claire Willis, Principal at Murrayfield Primary Academy  
Kimberly Morton, Principal at Piper's Vale Primary Academy  
Kevin Jones, Principal at Old Ford Primary Academy  
Naomi Shenton, Principal at Woodbridge Road Academy  
Samuel Fox, Interim Principal at Ipswich Academy  
Tahreena Ward, Principal at Culloden Primary Academy  
Ben Rogers, Director of Curriculum and Pedagogy  
Emma Vehit, Company Secretary  
Julie Anderson, Operations systems lead and Director of Payroll

**Culloden Primary Academy Senior Management Team**

Principal	T Ward
Assistant Principal	C Baker
Assistant Principal	A Gofur
Assistant Principal (Interim)	S Rashid
Assistant Principal	K Nicholas Raymond
Assistant Principal	E Jansen Van Rensburg
Location	London

**Ipswich Academy Senior Management Team**

Principal	A Thorrington (maternity leave)
Interim Principal	S Fox
Assistant Principal	A Cook
Assistant Principal	K Mills
Assistant Principal (Interim)	I Rogers
Assistant Principal	B Wheatley
Location	Ipswich

**Murrayfield Primary Academy Senior Management Team**

Principal	C Willis
Assistant Principal	R Blackman
Location	Ipswich

**Old Ford Primary Academy Senior Management Team**

Principal	K Jones
Assistant Principal	L Sherling
Assistant Principal	M Proestos
Assistant Principal	H McNulty
Assistant Principal	K Neill
Assistant Principal	E Young
Location	London

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Piper's Vale Primary Academy Senior Management Team**

Principal	K Morton
Assistant Principal	D Primus
Assistant Principal	N Milbourne
Assistant Principal	P Brown
Assistant Principal	K Clement
Location	Ipswich

**Solebay Primary Academy Senior Management Team**

Principal	J McKenzie
Assistant Principal	R Begum
Assistant Principal	R Chetty
Location	London

**Woodbridge Road Academy Senior Management Team**

Principal	N Shenton
Assistant Principal	C Last
Assistant Principal	S Murphy
Assistant Principal	S Ransom
Location	Ipswich

**Independent auditors**      MA Partners Audit LLP  
Statutory Auditor  
7 The Close  
Norwich  
Norfolk  
NR1 4DJ

**Bankers**                      Lloyds Bank  
Stratford Westfield Branch  
PO Box 1000  
BX1 1LT

**Solicitors**                    Stone King LLP  
16 St John's Lane  
London  
EC1M 4BS

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**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Review of the year**

The start of 2022 was all about the opening of our special, free school for pupils with complex communication and interaction needs. Woodbridge Road Academy (Ipswich) welcomed its inaugural group of 18 pupils to its temporary accommodation at the Murrayside Centre, having achieved a very successful pre-registration Ofsted inspection a few months previously. Woodbridge Road Academy's first year has been a real success - children with complex needs have received a high quality and broad education - both academic and wider - despite the challenges of operating in a building which was certainly not designed for that purpose. For a number of those pupils, taking up a full time place came after a significant period of non or only part-time school attendance - it has been deeply rewarding to see them settle in and flourish. One highlight of the year was the school's successful educational visit to the Globe Theatre to watch *The Tempest*. Many of the pupils had never been to the theatre before and some had never been to London. There was a lot of anxiety before the visit but staff preparation of the pupils in advance was highly effective.

Construction of the school's new building continued throughout the year, albeit at a pace which was consistently slightly slower than had been anticipated. Nevertheless, the school's planned expansion to around 60 pupils has occurred at the same time as the move into the purpose-built, permanent accommodation. Staff and pupils will continue to settle in throughout the autumn term 2023.

The much anticipated Ofsted inspections at Old Ford Primary Academy and Solebay Primary Academy were also highlights of the year. Old Ford was inspected in November, 14 years since its last inspection, and we were really pleased that the school retained its 'outstanding' judgement, particularly given that over 80% of previously outstanding schools were downgraded last year. Ofsted celebrated many aspects of the school, culminating in its statement that: 'Pupils live the values of the school. They are encouraged to develop a strong sense of integrity, contribute fully to the school's community and to achieve excellence in all that they do.'

Solebay received inspectors in May (the same week as Year 6 SATS tests - which makes what is already a challenging process even more so) and was also graded as 'outstanding' in all areas. The school has come a very long way compared to when it was re-brokered to Paradigm in September 2014, with us inheriting pupils and a construction site. Ofsted commented, 'Leaders have created an inclusive, nurturing school. Many pupils said that they enjoy learning about different people and that everyone is treated equally in school. Pupils are happy here.' Both inspections were a long time coming but when they did arrive they absolutely confirmed our evaluation of the quality of education provided.

Across the Trust, we have continued to invest significant time and energy into all aspects of pupil attendance management and, as a result, our levels of pupil attendance have broadly kept pace with national averages. We are in no way complacent - the number of pupils who are regularly absent from school remains a key concern - and we have built on our reporting capabilities to enable us to rapidly identify pupils at risk of poor attendance and intervene before patterns have become established.

Staff development remained a key focus during the year. In October, we had two fantastic days of training led by international teaching expert Doug Lemov, who visited Paradigm from the USA. And then in January we had a very positive and enjoyable leadership conference in Essex - focused on how to influence effectively - using Shakespeare's Julius Caesar as a vehicle to consider authentic leadership styles. During the year we also hosted both a Trust Board offsite event (in Chelmsford) and an academy council joint event - drawing on academy councillors from all of the Trust's schools.

Working effectively with parents/carers continues to be a key focus for the Trust and 2022 saw Paradigm's first ever Trust-wide parent/carer survey. More than 620 responses were received and the results were extremely encouraging - with more than 80% of responses being positive in terms of 'parental confidence' and 'mutual trust and respect' - significantly higher than national benchmarks.

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

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Curriculum remained a major focus during the year - with network groups comprising subject leads from each school meeting on a regular basis to develop, implement and evaluate a knowledge-based curriculum which flows seamlessly from nursery to year nine. This has been a real success - as evidenced from feedback from the external, independent reviewers which Paradigm commissions.

We have also moved forward with our work to offer a wide range of instrumental music opportunities, regardless of parent/carer ability to make financial contributions, with the result that Paradigm pupils have been learning to play violin; piano; flute; drums; cornet and guitar.

The year has seen Paradigm's central functions continue to provide excellent support to our schools while developing additional capacity. We have continued to implement our estates and IT management strategies and work on key infrastructure projects has moved forward. We conducted a staff engagement survey - action plans have been developed as a result but it was very pleasing to see strong results across all areas (at a time when many organisations are reporting significant declines in staff engagement). The HR function has been through a period of change and we are now seeing the benefits of more stable foundations, and improved systems and processes. On that note, a small 'systems integration' working group has been established with the goal of increasing the efficiency of our operations. We implemented a new management information system (MIS) in September - a focus of the year has been on embedding the new system. That has been successful and we are now ready to take a more holistic look across the Trust to see where additional efficiencies are achievable - and also to identify any data gaps and ways to use insights which flow from our data.

At a sector level, workforce relations have been somewhat strained due to the repeated industrial action taken by members of one teaching union. At local level, staff and management have worked closely together to mitigate the impact of teacher strikes as far as possible, without undermining the strongly positive industrial relations which have been built up over time. Paradigm's 'employee voice' group continues to go from strength to strength and our commitment to supporting staff to maintain positive mental health remains evident - particularly in terms of our free offer of confidential counselling with a qualified therapist.

Paradigm's responsibility to develop the next generation of teachers has remained a key priority for the year. We successfully trained nine teachers last year, five of whom we were pleased to appoint for 2023/24.

With the closure of EssexITT, we have taken the opportunity to identify two new providers which share our commitment to education. Recruitment continues to be challenging nationally and at the same time the available routes into teaching are changing. 2023/24 is the last year we are able to make use of the salaried route into teaching. This route is being replaced with the apprenticeship teacher training model. This year we are using both of these routes alongside unsalaried training from a number of local providers.

The salaried programme was designed for trainees who are ready to work in the classroom from the beginning with a salary being offered from the start. The apprenticeship model is similar but using the apprenticeship levy to fund the training costs. The unsalaried route is a more traditional teacher-training route with the trainee working closely alongside a class teacher. We have continued to benefit from partnership with the Institute of Education/UCL, enhancing our leadership and management training offer.

It is pleasing to note that all of the above has been achieved against the backdrop of the challenging financial regime which has affected all state-funded schools. In the face of the government's last minute announcement of higher than expected staff pay rises, coupled with considerable uncertainty as to whether additional funding would be made available, we took the decision to review budgets to make economies. These were achieved with a minimum of impact to school operations, predominantly through more efficient ways of working.

The Board continues to provide committed and expert non-executive leadership, with Directors supporting and challenging from a vantage point of deep familiarity with the schools.

Despite the challenges, 2022/23 has been a hugely successful year for Paradigm and we are well placed to build further on these foundations in 2023/24.

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

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The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

Paradigm Trust ('Paradigm' or 'the Trust') operates a multi-academy trust for pupils aged 2-16 serving catchment areas in London and Ipswich. It has a pupil capacity of 3,899 (2022: 3,857) and had a roll of 3,331 (2022: 3,333) in the school census on 5 October 2023.

**Structure, governance and management**

**a. Constitution**

The Trust is a charitable company limited by guarantee and an exempt charity.

The Trust's Memorandum and Articles of Association is the primary governing document of the Trust.

The Directors of Paradigm Trust are also the Directors of the charitable company for the purposes of company law.

Details of the Directors who served during and to the date these accounts are approved are included in the reference and administrative details on page 1.

**b. 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.

**c. Directors' indemnities**

The Trust has opted into the Department for Education's risk protection arrangement (RPA). This protects Directors and Officers from claims arising from negligent acts, errors or omissions occurring while on Trust business. RPA provides cover up to £10,000,000 on any one claim.

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

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**Structure, governance and management (continued)**

**d. Method of recruitment and appointment or election of Directors**

All current Directors and Members are asked to be vigilant to any new potential Directors who would be a good fit for Paradigm.

When seeking additional Directors to join the Board, a recruitment pack is designed and advertisements for the role are made across the Trust websites, social media channels and shared directly with stakeholders. If looking to recruit Directors with a particular skill, the same process will be followed with additional support sought from organisations such as Governors for Schools which are Trustee recruitment services matching independent, experienced leaders sourced from the corporate, charity and third sectors, seeking roles in education.

When looking for a parent Director, the recruitment process only differs when we ask parents/carers across the Trust to express their interest in becoming a parent Director. The process is then the same as recruiting an independent Director.

Potential Directors that are a good match for the Trust meet with the Chairman, other Directors and management.

Provisions relating to the appointment of Directors are contained in the Trust's Articles of Association, and can be summarised as follows:

- the Members are entitled to appoint up to seven Directors;
- the Chief Executive Officer is a Director;
- there are up to two parent Directors; and
- the Board is entitled to co-opt any additional Directors as required.

**e. Policies adopted for the induction and training of Directors**

Training and induction provided for new Directors is assessed based on their existing experience. Directors have many years' experience as members of school governing bodies and/or Directors of other organisations. Directors attend seminars, conferences and similar events to keep abreast of developments in the education sector and internal training with specific emphasis on safeguarding and child protection is also organised including attendance by Directors at staff inset days.

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

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**Structure, governance and management (continued)**

**f. Organisational structure**

Paradigm is led by a team of Members and Directors. Directors provide strategic leadership and oversight, via the Board of Directors ('the Board'). The Board meets monthly during term time and receives reports and recommendations from the three Board committees, and the Chief Executive Officer (CEO).

The Chief Executive Officer has responsibility for the day-to-day management and implementation of the decisions of the Directors. The Chief Executive Officer is also the Accounting Officer.

The Trust has three Board committees - the Education Committee, the Operations and Finance Committee and the Audit and Risk Committee.

***Education Committee***

The Education Committee monitors and considers:

- the educational performance of each of Paradigm's schools;
- educational aims and the setting of appropriate performance targets.

It is also responsible for adopting, monitoring and reviewing the Trust curriculum statements.

***Operations and Finance Committee***

The Operations and Finance Committee (OFC) considers:

- Paradigm's financial priorities;
- the management accounts;
- the appropriate charging of expenses; and
- draft budgets submitted by Paradigm schools.

The committee also:

- ensures that Paradigm has proper insurance cover and that the regulations relating to funding are complied with;
- sets and monitors human resource policies/contractual terms;
- is responsible for the annual pay review and oversees performance related pay;
- monitors the Trust's procurement strategies; and
- monitors the management of the Trust's estate including health and safety and energy efficiency.

The Operations and Finance Committee has an Investment Sub-Committee which has delegated authority to invest any available funds in strict adherence to the Trust's investment and reserves policies.

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

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**Structure, governance and management (continued)**

***Audit and Risk Committee***

The Audit and Risk Committee (ARC) advises the Board on:

- the adequacy and effectiveness of internal financial control;
- risk management;
- control and governance processes;
- securing value for money;
- the terms of appointment and the remuneration of the external auditor and the internal audit service provider; and
- audit strategy.

It also receives the Trust annual child protection audit reports and the local authority safeguarding audit reports.

***Executive Committee***

The CEO convenes and chairs an Executive Committee (EXCO) which comprises the CEO; Principals from each school; together with the HR Director and Chief Finance Officer, the Company Secretary, the Operations systems lead and Director of Payroll and the Director of Curriculum and Pedagogy (as required). The Executive Committee meets on a monthly basis with all attendees able to propose items for consideration. The purpose of the Executive Committee is to facilitate collaboration across Paradigm, providing a forum for sharing ideas, resources and concerns.

***Community Forum***

The Principal of each school within Paradigm may recommend to the Board that there should also be a community forum to provide an opportunity to raise the profile of the school in the local community and engage with a wider group of benefactors/supporters. A community forum is currently active for the Suffolk academies.

***Academy council***

Each school within Paradigm also has an academy council, which facilitates communication between parents/carers and the relevant academy Principal. All parents/carers are invited to each meeting and are able to suggest topics for discussion, ask questions of the Principal about the operation/ performance of the school as well as raising any issues of concern. Members of the academy council elect a chair at the start of each academic year.

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

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**Structure, governance and management (continued)**

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

The key management personnel of the Trust comprises Directors, Principals, the Chief Executive Officer, Chief Finance Officer, HR Director, Director of School Improvement, the Company Secretary and the Director of Pedagogy and Curriculum.

All Directors of the Trust, other than the CEO, offer their services on a voluntary basis.

The process and parameters for setting and reviewing employees' pay is set out in the Trust's pay policy, last reviewed in May 2020 in consultation with the trade unions recognised by the Trust. At the time of writing, the policy is subject to review. The Trust recognises the role that the pay policy has in helping to recruit and retain staff of the highest calibre, and ensuring staff are appropriately remunerated.

The Operations and Finance Committee has the delegated authority to make decisions on employee reward, recognition and pay awards, including annual cost-of-living increases.

All Trust staff have an annual performance management meeting with their line manager, the focus of which is supporting performance and professional development. Directors are involved in the annual performance management meeting for all key management personnel within the Trust. Responsibility for the performance management of the CEO is delegated by the Board of Directors to its Operations and Finance Committee.

Arrangements for reviewing the pay of key management personnel who fall within the definition of executive pay, including the CEO, follow the requirements within the Academy Trust Handbook, and ensure:

- an agreed process for determining executive pay
- independent scrutiny by the Board
- robust decision-making
- proportionality – that pay and benefits represent good value for money and are defensible relative to the public sector market
- documented decision-making with rationale
- a basic presumption that executive pay and benefits should not increase at a faster rate than that of teachers, in individual years and over the longer term
- an agreed process for determining executive pay

In deciding on the level of cost-of-living increase to be applied to teaching and support staff (including key management personnel) the Trust takes into account (but is not bound by) national agreements regarding such matters, i.e. that for teachers as published annually in the School Teachers' Pay & Conditions Document; and the National Agreement for Local Government Employees (for support staff). Cost-of-living increases agreed for teaching staff (including the CEO and Principals) are effective from 1st September each year, and for support staff (including the CFO and HR director) 1st April.

Additionally, those staff whose contract specifies a salary range are, subject to completion of six months' service in role, entitled to receive an annual incremental increase of one point until they reach the top of their range, unless they have been advised in written form that their performance is not meeting the required standards. Incremental increases are on 1st September for teaching staff and on 1st April for support staff.

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

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**Structure, governance and management (continued)**

**h. Trade union facility time**

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where a Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

**Relevant union officials**

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	3.38

**Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	3
1% - 50%	1
51% - 99%	-
100%	-

**Percentage of pay bill spent on facility time**

	<b>£</b>
Total cost of facility time	1,185
Total pay bill	16,732,534
Percentage of total pay bill spent on facility time	0%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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**DIRECTORS' REPORT (CONTINUED)**  
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**Structure, governance and management (continued)**

**i. Related parties and other connected charities and organisations**

Paradigm is committed to school improvement and collaborates with a range of organisations to help develop and spread best practice.

Paradigm has a number of educational business partners including BT, The Mercers' Company and Ropes Trust and is very grateful for the contributions they have made to improve the work of Paradigm's schools.

Culloden Primary Academy and Old Ford Primary Academy continue to engage with the Tower Hamlets Education Business Partnership (THEBP) which makes links between local businesses and the schools.

Paradigm Trust has continued to play an active role in both the Ipswich Priority Area Partnership Board and the Eastern Trust Alliance. Ipswich Academy, Murrayfield Primary Academy and Piper's Vale Primary Academy are part of a Suffolk headteachers peer review scheme. Paradigm Trust is also part of the Suffolk Education Partnership, a sector-led strategic body whose purpose is to have impact on specific issues affecting the delivery of excellent education and outcomes for learners in Suffolk. Paradigm's CEO chairs the task group focusing on attendance across Suffolk.

The Trust is an active member of the Confederation of School Trusts and is working with other trusts in East London to establish a structured collaboration with the London Borough of Tower Hamlets. We have also established a partnership with South Suffolk Learning Trust and Suffolk County Council's Virtual School to implement innovative and agile approaches to supporting vulnerable pupils while also developing deeper relationships with social care senior managers.

Paradigm Trust trainee and early career teachers benefit from our partnerships with training providers in Tower Hamlets and Suffolk. We specialise in applying the best educational research and thought to the classroom. Our apprenticeship teacher training model is delivered by Coventry University. These trainees already have classroom experience and are able to work in the classroom, with support, from the start of the course. Our Schools Direct salaried programme is also designed for trainees who are ready to work in the classroom. Both routes have a salary offered from the start. We also offer unsalaried placements for trainees to work alongside experienced teachers as they train. To enhance our leadership and management training offer, we have established a partnership with the Institute of Education/UCL.

Paradigm's London schools have also worked closely with:

- Sustran Bike IT Tower Hamlets, in conjunction with TFL, to encourage our pupils to walk, cycle and use public transport when travelling to and from school. Culloden Primary Academy has retained the TFL Stars Gold level for the past two consecutive years and, as a result, Culloden Primary Academy was chosen to benefit from the School Streets project. School Streets aims to encourage activity, reduce pollution and help growth in learning and development.
- Poplar Harca to support parent/carer community groups on the Aberfeldy estate. Pupils and parents were invited to view a public art installation at Aberfeldy to view the work of a local artist who used natural dyes from the local area. A new community centre 'Feldy' opened in the area too. This is the first of many public buildings to open as part of the Aberfeldy regeneration. Culloden Primary Academy looks forward to supporting and continuing to forge strong community links within the local area. In addition, Culloden Primary Academy has had the privilege of contributing ideas towards street artistry in the local area of Aberfeldy. Pupils brainstormed ideas and explained what they would like to see as part of the redevelopment of the Aberfeldy estate.

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**DIRECTORS' REPORT (CONTINUED)**  
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**Structure, governance and management (continued)**

**Related parties and other connected charities and organisations (continued)**

Through its Room 13 art studio, Old Ford has links with an international network of similar studios. Room 13 Old Ford Primary Academy has completed commissions for Galliard Homes and is working in partnership with the Roman Road Trust on a plastic reduction project. Galliard Homes is also providing financial support to regenerate an outdoor learning space.

The Trust received £100k from the Wolfson Foundation in order to redevelop the food technology area at Ipswich Academy. We are very grateful for the support given and the significant benefit this will give to all our pupils at the school.

**j. Employee involvement**

The Trust values working collaboratively with its stakeholders, and sees engaging effectively with its employees as an essential part of this. Various mechanisms are in place to facilitate engagement between the Trust and its employees on both a collective and individual level, including:

- Regular Joint Consultative and Negotiation Committee (JCNC) meetings with the trade unions recognised by the Trust for purposes of collective bargaining, consultation and individual staff representation. All staff are encouraged to become a member of a recognised trade union. JCNC meetings are attended from the Trust's side by a Director, the CEO and HR Director.
- A solid performance management framework for all staff, including regular line management meetings and an annual performance management meeting. The main purpose of the performance management meeting is to discuss the individual's professional development for the forthcoming year. This practice has been formalised and embedded in a whole-Trust Performance Management Policy.
- In March 2023 the Trust conducted its fifth employee engagement survey ('staff survey') – the results of which are shared with Directors and senior management, and an action plan implemented with monitoring against the action plan undertaken by the Operations and Finance Committee.
- The Trust has held regular Employee Voice forums throughout the year. The purpose of the forum is to allow members nominated by their peers to discuss and provide staff views to the Executive Committee on specific issues of organisational importance (whilst ensuring no overlap with existing trade union relationships and mechanisms for consultation).

**k. Disabled persons**

In accordance with the Trust's recruitment and selection policy, the Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the Trust's offices.

Paradigm takes all reasonable steps to ensure that there is appropriate access for all persons to all main areas of Paradigm's schools. Paradigm supports the recruitment and retention of staff and students that have disabilities and will, where possible, ensure that any necessary support is provided. In the event of a student or member of staff becoming disabled, every effort is made to ensure that they receive all the necessary support that is required.

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**DIRECTORS' REPORT (CONTINUED)**  
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**Objectives and activities**

**a. Objects and aims**

The Trust's objects are set out in the Articles of Association and are restricted to advancing for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing:

- schools offering a broad and balanced curriculum; and/or
- educational institutions which provide education for children who may not receive suitable education unless alternative provision is made for them; and/or
- 16 to 19 academies; and/or
- schools organised to make special educational provision for pupils with special educational needs.

The Trust also aims to promote for the benefit of the inhabitants of the areas in which the academies are situated, the provision of facilities for recreation with the object of improving the condition of life of the local population.

In line with the objects set out in the Trust's Articles of Association, its schools aim to provide a broad, balanced and relevant curriculum through outstanding teaching to ensure high educational standards are achieved by all of its pupils. This includes those pupils with special educational needs and disabilities and in particular, pupils attending our new special free school at Woodbridge Road Academy, the Deaf Support Base at Culloden Primary Academy or the SEN units at Murrayfield Primary Academy and Piper's Vale Primary Academy.

**b. Objectives, strategies and activities**

In the academic year ending 31 August 2023, Paradigm continued to consolidate the achievements of its existing schools.

All Paradigm schools serve communities in areas of acute deprivation, where there are high levels of unemployment and the proportion of pupils receiving free school meals is much higher than the national average.

Paradigm's vision is to develop and sustain great schools where we can make the biggest difference for pupils.

Our values are:

- integrity - doing the right thing even when no one is watching.
- community - working together; learning from, and supporting, others.
- excellence - enabling everyone to achieve more through education.

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

**c. Public benefit**

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'. In particular, the additional guidance on the advancement of education for the public benefit and are satisfied that the Trust is compliant. Further details of how Paradigm has achieved this are set out in the strategic report below.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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**Strategic report**

**Achievements and performance**

**a. Achievements and performance**

Taking account of the impact of the pandemic, all of the Paradigm schools have delivered strong academic outcomes.

The schools maintain strong links within the communities they serve. This has included work to engage parents/carers in the life of the schools. High profile events such as music concerts and sports days continue to demonstrate the quality of provision to the local communities and beyond. We engage with local stakeholders through our academy councils and other mechanisms as appropriate.

High quality teaching continues to be the most important feature of the success of Paradigm. Much work has been carried out to ensure that all staff have the resources and support to carry out their responsibilities with consistently high quality. Professional development features prominently in this work and at all levels within the schools. The impact of this work is assessed regularly by employing external experts to verify the quality of teaching and the impact on learning.

**b. Going concern**

After making appropriate enquiries, the Board of Directors 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 accounting policies.

**c. Promoting the success of the Trust**

The Board, alongside the Trust's employees, is committed to maintaining a reputation for high standards of business conduct, with integrity being prominent in our key values.

Paradigm is dedicated to ensuring a positive impact upon its wider community and the environment. When formulating strategy and making decisions, Directors always consider the likely consequences in the longer term, both for the Trust's employees but also all stakeholders and the local areas in which our schools are located.

We are working with an external marketing company in order to promote the successes of Paradigm over the coming year.

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

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**Strategic report (continued)**

**Financial review**

Overall, the Trust has maintained its secure financial position during the year, despite the uncertainty surrounding funding, through careful planning and strong financial management. Due to this, we have been able, once again, to allocate some of our existing reserves for the development of key enrichment activities in our schools through our hinterland and music tuition programmes which will greatly benefit our pupils.

Paradigm's income is derived in the main from the DfE via the Education and Skills Funding Agency ('ESFA') in the form of recurrent revenue and capital grants, the use of which is restricted to particular purposes. The grants received from the ESFA and other sources during the academic year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Financial Statements.

The Trust also receives grants for fixed assets from the DfE. In accordance with the Charities document, '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) (effective January 2019)' (the Charities SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Further funds are sought from educational grants sponsorship, letting of sport facilities and the outsourcing of our outstanding central services capabilities

Old Ford Primary Academy forms part of Tower Hamlets Grouped Schools Private Finance Initiative (PFI) contract. On conversion to an academy, in accordance with the requirements for PFI schools converting to academy status, the Trust was obliged to enter into a separate agreement that formed part of the PFI contract, which runs until 2027. Ownership of the land and buildings at the school was not transferred into the Trust. The nature of the arrangements is deemed to be akin to serviced accommodation, and payments under the PFI contract are treated as a financial commitment in the Financial Statements. These PFI arrangements are considered by the Board to be far from ideal from the point of view of the school but are outside of the Board's control.

During the academic year ended 31 August 2023, the Trust received incoming resources (excluding the value of net assets received from the transfer of academies) of £27,064,010 (2022: £24,528,799). Unrestricted and restricted general funds (excluding pension) generated a deficit of £87,293 (2022: deficit of £237,235) for the year.

The Local Government Pension Scheme valuation as at 31 August 2023 shows a surplus. The asset arising has not been recognised for the reasons disclosed in note 26.

The net book value of tangible fixed assets at 31 August 2023 was £45,314,166 (2022: £38,991,505); movements in tangible fixed assets are shown in note 15 to the Financial Statements. The assets were primarily used for providing educational and associated support services to pupils and the community.

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**PARADIGM TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**a. Reserves policy**

The policy of the Trust is to carry forward at least a minimum level of resources designed to meet the long-term cyclical needs of the schools as well as any unforeseen contingencies. As part of its monitoring of financial performance the Operations and Finance Committee as well as the Board review the forecast impact on reserves and the implications for future years spending.

Reserves are pooled centrally, other than any restricted funds which cannot be pooled. At the end of every year, any surplus generated by each school is transferred back into the central reserve. This is intended to facilitate the use of surplus funds in accordance with the Trust's objects.

The Board has already committed to spend some of its reserves during the forthcoming year on supporting the development of key enrichment activities and experiences that will serve the dual purpose of enhancing the curriculum and building on our pupils' social and cultural capital through the Hinterland project and music tuition.

In the next year, it is anticipated that surplus funds will be used to:

- support additional investment in schools, as required, in order to secure improvements
- continue to develop the capacity of the Trust - both educationally and operationally - so that it is able to respond to opportunities to grow and increase its contribution to the national educational system
- ensure that school operations are protected in the context of changes to funding arrangements or any unexpected expenditure, particularly in relation to pay announcements, energy costs and inflation.

The Operations and Finance Committee is authorised to determine the designation of reserves and to approve expenditure of designated reserves.

The Trust held fund balances at 31 August 2023 of £48,919,948 (2022: £42,590,132) comprising £45,740,192 (2022: £39,323,083) of restricted fixed assets, £935,985 (2022: £1,396,072) of restricted funds and £2,243,771 (2022: £1,870,977) of unrestricted funds.

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**PARADIGM TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**b. Investment policy**

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns whilst ensuring the investment instruments are such that there is no material risk of loss to these cash funds.

This helps to ensure adequate cash balances are maintained in the current accounts to cover day-to-day working capital requirements and there is no material risk of loss in the capital value of any cash funds invested.

Cash flow statements projecting forward for at least the next 12 months are prepared monthly and monitored to ensure there are adequate liquid funds to meet all payroll related commitments, outstanding supply creditors that are due for payment and any other identified contingencies. Cash flow statements are reported to the Operations and Finance Committee on a monthly basis together with investment performance.

Where the cash flow identifies a base level of cash funds that will be surplus to requirements, (being cash available for investment in 32 day notice, 3 month, 6 months or 1 year accounts and excluding current account or no notice accounts), this surplus may be invested in at least two of the following at any one time with no more than 60% of this surplus in any one account:

- interest bearing deposit accounts or money market facilities (including fixed term bonds with a term not exceeding one year) with any single institution that has a credit rating or implied credit rating (at the time of deposit) of A3 (Moody's) or A- (S&P) or A / F3 or better (Fitch). Companies with these ratings or higher are considered to be stable entities with robust capacities for repaying their financial commitments and are considered investment grade "High". These will be monitored on a regular basis.
- treasury deposits or Absolute Return Bonds with maturity dates which do not result in the cash funds being unavailable for longer than one year.

It is permissible to have surplus cash invested on a rolling basis so that there is a phased increase or decrease in invested funds provided that Paradigm can revert to a fully liquid position within six months.

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**PARADIGM TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**c. Principal risks and uncertainties**

Paradigm operates a comprehensive risk management process, with risks being considered at a range of levels across the organisation and captured in a Trust register. The CEO leads the management activity relating to risk, with the Audit and Risk Committee providing non-executive challenge and scrutiny.

The register is reviewed by senior managers (CEO; Principals; service heads) on a termly basis, including discussion at the Executive Committee, with updates provided to the Audit and Risk Committee in line with this schedule. The Audit and Risk Committee uses the risk register to monitor changes to the risk environment and the implementation of agreed risk mitigation actions.

It is formally received by the Board on a six monthly basis, unless there are developments which mean that it is necessary to escalate risks more rapidly.

A school-level/educational risk register is also in place. This is maintained by the CEO. Principals share their evaluation of school-level risks with their Link Director, a member of the Board attributed to the school for guidance/advice/internal scrutiny.

The key residual risks identified in the risk register include:

- adverse funding changes;
- failure to recruit sufficient pupils, resulting in funding difficulties;
- industrial actions (unions);
- disaster/significant unforeseen impairment of Trust operations (as a result of the global pandemic);
- inability to recruit, retain and develop sufficient high-quality staff;

If risks were to be listed in order of inherent risk, it is likely that child protection/safeguarding risks would be rated most highly. Paradigm has robust controls in place to address child protection/safeguarding risks and thus these do not feature in the list of key residual risks.

Risks surrounding the Trusts estate are also monitored through the risk register. The Operations and Finance Committee also receives regular reports to ensure the Trust's estate is safe, well maintained and complies with relevant regulations.

Paradigm does not hold significant financial instruments and therefore considers that its only material financial risk is cash flow risk. It manages this risk on a continuous basis throughout the year by actively monitoring cash inflows and outflows and reconciling its cash position monthly

**d. Key financial performance indicators**

The Trust has adopted a number of financial KPIs which are shown below, to help monitor our financial performance and efficiency, both internally between our own academies and externally as compared to our peers.

	<b>2022/23</b>	<b>2021/22</b>	<b>2020/21</b>
Staff costs as % of total resources	67.3%	71.80%	73.10%
Pupil/Teacher Ratio	18.8	18.2	19.0
Revenue per pupil	£8,120	£7,645	£7,632
Total reserves (restricted income and unrestricted income funds)	£3,180k	£3,267k	£3,504k

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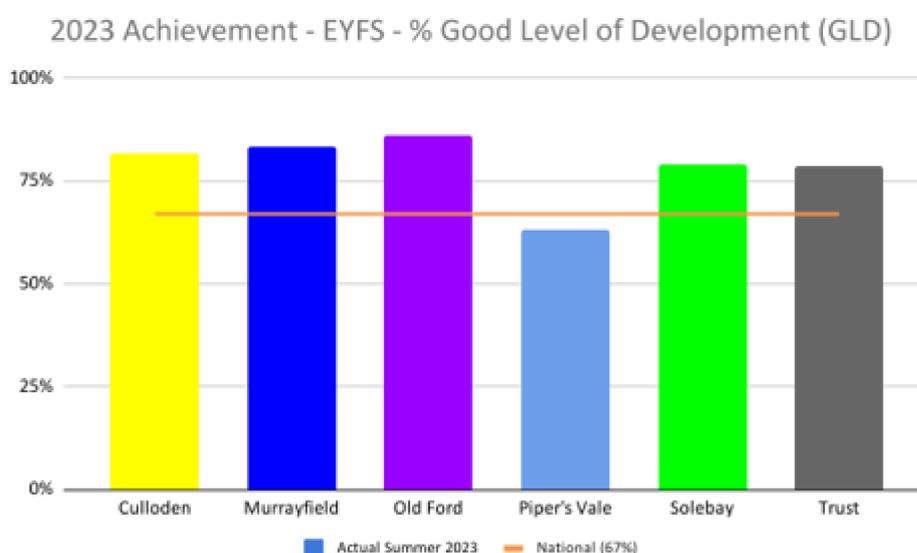
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**e. Key performance indicators - Education**

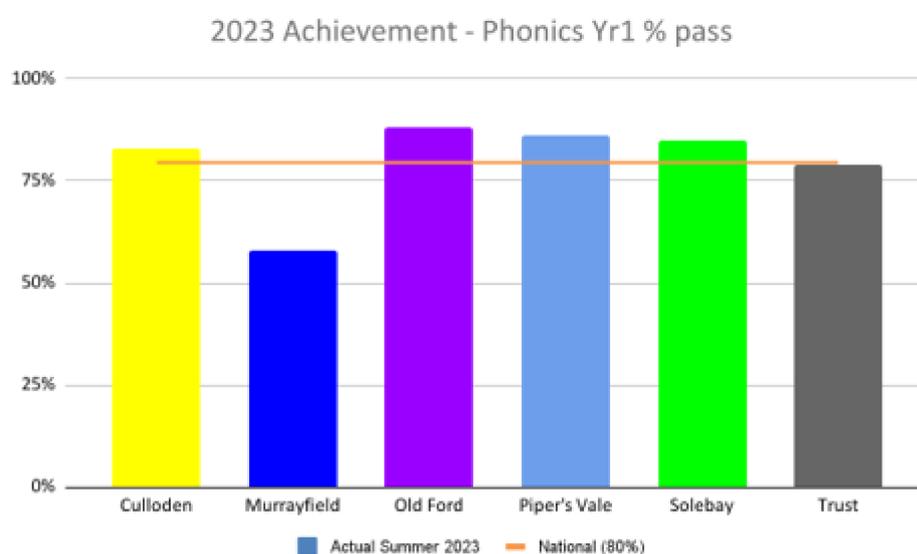
**Foundation stage**

The proportion of pupils across Paradigm who achieved the good level of development (a blended standard that indicates a reasonable level of readiness for Year 1 across a range of subjects) at the end of the foundation stage was significantly above the national benchmark.



**Phonics**

In Year 1, pupils are given a test on 40 pseudo and real words they are expected to be able to read. The proportion of pupils across Paradigm who passed the test was in excess of national benchmarks across most schools. At Murrayfield last year there were a number of significant staff changes that were a factor in managing the phonics programme with fidelity. These challenges were addressed in the latter part of the year and the school is being closely supported by the Trust and our phonics scheme provider.



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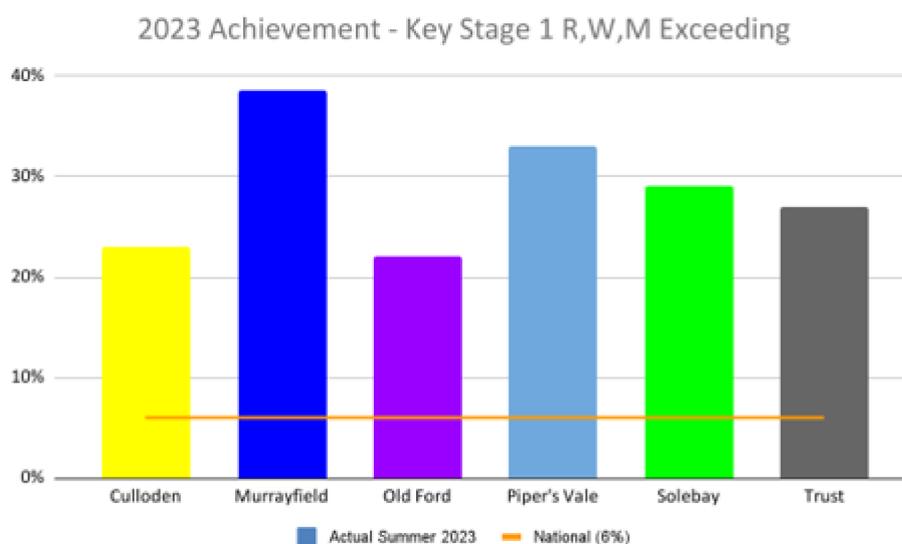
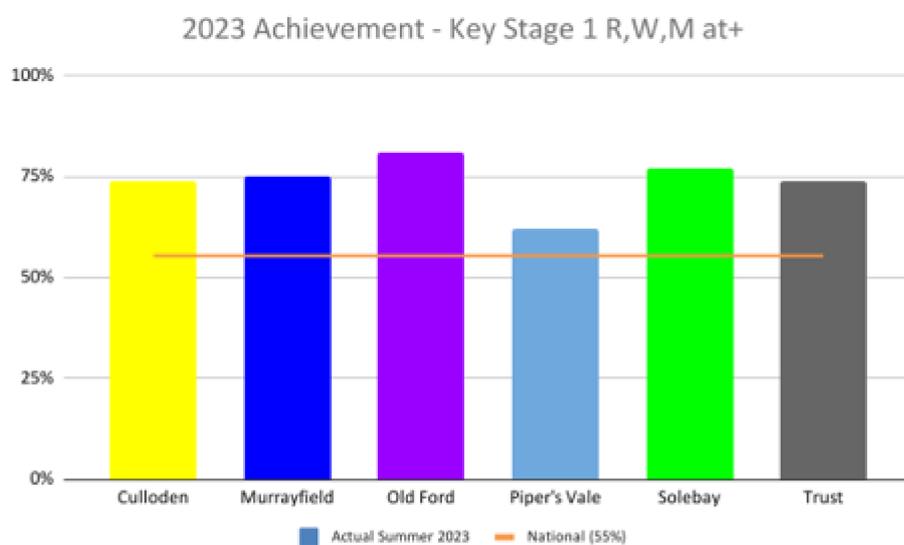
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Key Stage 1**

The proportion of pupils across Paradigm who achieved the expected standard and the higher standard at the end of Key Stage 1 was significantly higher than the most recent national benchmark.



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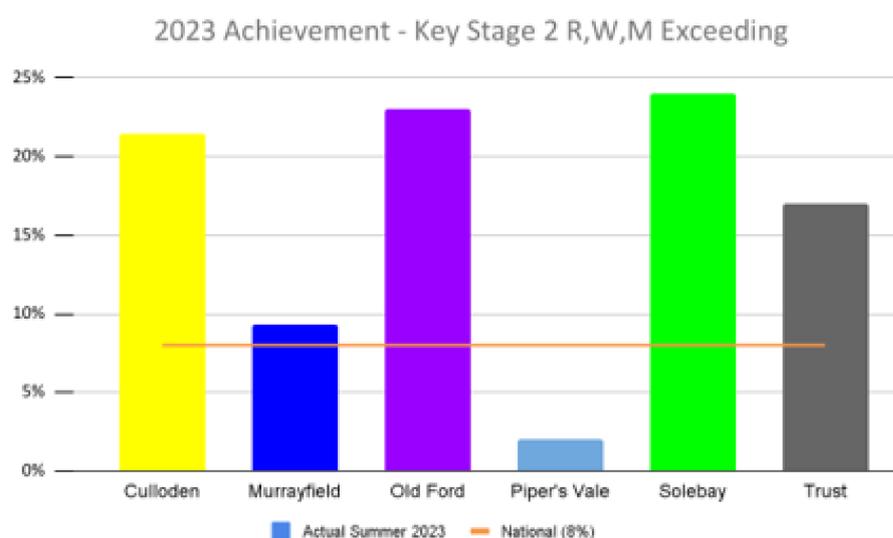
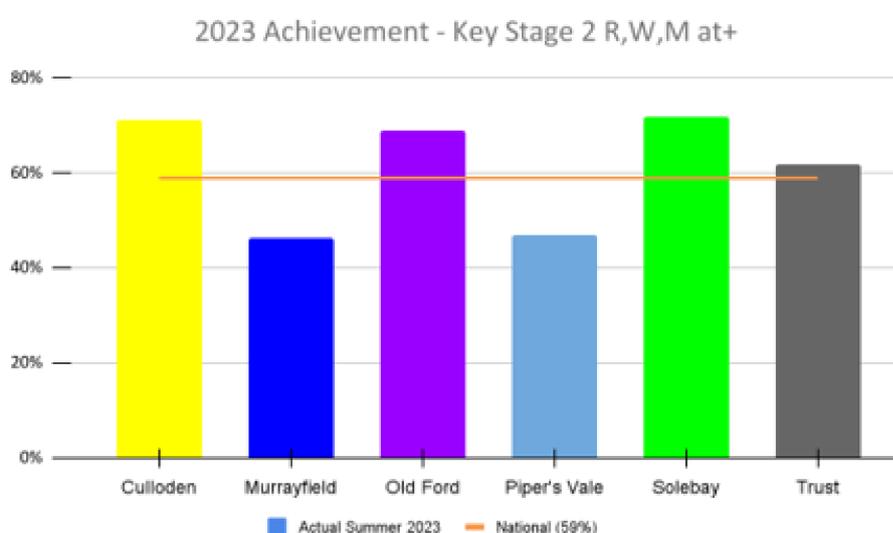
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Key Stage 2**

The proportion of pupils who achieved the expected standards in reading, writing and mathematics by the end of Key Stage 2 ('KS2') was higher than national benchmarks in most schools. Writing and mathematics are areas for development for Murrayfield, and mathematics also for Piper's Vale. The amount of progress made by Paradigm pupils during KS2 was in line with, or in excess of, national benchmarks in most subjects across the majority of schools.



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**PARADIGM TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Key stage 3**

Examinations were taken by all Key Stage 3 ('KS3') pupils in all subject areas to determine whether students had (by the end of Y7, Y8 and Y9) achieved the Ipswich Academy required standard. Success in these examinations indicates that students are well placed for GCSE study, with the clear potential to achieve a 'good pass' (a grade 5) by the end of Y11. The examinations which took place in summer 2023 demonstrated that the majority of students continue to make good progress relative to their end of KS2 starting points.

**Key stage 4**

Many of the students at Ipswich Academy did not make progress at a rate which was in line with the national benchmark, achieving an average Progress 8 measure of around -0.44 (to be confirmed when official government statistics are published). This rate of progress is disappointing but should be seen within the context of the substantial socio-economic challenges facing many of our students and in particular a rise in persistent absence last year. Students who attended school for at least 90% of available sessions achieved an average progress measure of +0.27 - better than the national average. The weak rate of progress was mirrored in the attainment of students - 48% of students achieved grades 9-4 in English and maths combined (compared to 58% in 2019 - the most recent comparable year given the pandemic) and 30% 9-5 in English and maths combined (compared to 36% in 2019).

The overall achievement of students is lower than we would want but we are pleased nevertheless that excellent support was provided to all KS4 students to access suitable next steps in their education, employment or training. Clear plans are in place to support greater student achievement and ensure results are improved this year and beyond.

**Fundraising**

Paradigm carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Management Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

**PARADIGM TRUST**  
(A Company Limited by Guarantee)

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

**Streamlined energy and carbon reporting**

Paradigm is dedicated to ensuring a positive impact upon its wider community and the environment. Our estate includes a diverse selection of newer and older buildings. The Operations and Finance Committee reviews the Trust's energy efficiency on a regular basis and our Head of Estates is mindful of the need to increase energy efficiency when the opportunity arises. As we are a large company and have energy use over 40,000 KWH below is a table that details the Trust's energy use.

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023:

	<b>2023</b>	<i>2022</i>
Energy consumption used to calculate emissions (kWh)	<b>2,835,863</b>	<i>3,519,186</i>
<b>Scope 1 emissions (in tonnes of CO2 equivalent):</b>		
Gas consumption	<b>329.0</b>	<i>439.9</i>
<b>Total scope 1</b>	<b>329.0</b>	<i>439.9</i>
<b>Scope 2 emissions (in tonnes of CO2 equivalent):</b>		
Purchased electricity	<b>214.0</b>	<i>214.5</i>
<b>Scope 3 emissions (in tonnes of CO2 equivalent):</b>		
Business travel in employee-owned vehicles	<b>5.0</b>	<i>7.6</i>
<b>Total gross emissions (in tonnes of CO2 equivalent):</b>	<b>548.0</b>	<i>662.0</i>
<b>Intensity ratio:</b>		
Tonnes of CO2 equivalent per pupil	<b>0.17</b>	<i>0.21</i>

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

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2023 UK Government's Conversion Factors for Company Reporting.

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

Measures taken to improve energy efficiency:

Paradigm is continuing to look at all opportunities to improve energy efficiency across the Trust and is in consultation with external companies on how this can be achieved. We have increased the use of video conferencing technology for staff meetings, to reduce the need for travel between sites. We commissioned sustainability surveys during the year to help inform us of decisions around energy efficiency and are currently looking into a scheme whereby lighting is replaced with more efficient LED lighting where possible.

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**PARADIGM TRUST**  
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**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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**Plans for future periods**

Paradigm will continue to build on the aims and objectives referred to previously by:

- sustaining high achievement at all of its schools;
- embedding coaching as a tool to support staff development across the Trust;
- continuing to develop and refine a shared curriculum, and linked assessment resources, which flow seamlessly from early years to key stage 3;
- working with the schools and the community to drive up the attendance of pupils;
- developing our offer of broader learning opportunities, with a particular focus on organising high quality educational visits and making instrumental music tuition readily available;
- forging close partnerships working with additional schools and trusts;
- continuing to horizon scan in relation to changes in funding arrangements and improving the Trust's efficiency through smarter procurement;
- strengthening our marketing activities with a view to increasing the number of pupils who attend Paradigm schools and to attract high quality staff;
- exploring opportunities to acquire or establish additional schools.

**Disclosure of information to auditors**

Insofar as the Directors are aware:

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

**Auditors**

The auditors, MA Partners Audit LLP, have indicated their willingness to continue in office and a resolution for their reappointment will be proposed at the annual general meeting.

The Directors' Report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 14 December 2023 and signed on its behalf by:



**D Willis**  
(Chairman)

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

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

**Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 8 times during the year.

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

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
V Hiscock	8	8
B Holledge, Chief Executive	8	8
D Hughes	7	8
M Hydes (resigned 20 September 2022)	0	0
V Karas	2	8
P Loft	8	8
L Pipe (appointed 25 July 2023)	0	0
D Marsh (appointed 16 December 2022)	4	5
J Martin, Vice Chair	7	8
A Rahman	8	8
D Syndercombe Court	6	8
D Willis, Chairman	8	8

Dawud Marsh was appointed as a parent Director of the Trust in December 2022. Dawud has experience in SEN and is a valuable addition to the Board who are grateful for his experience and insight.

Les Pipe was appointed as a Director of the Trust in July 2023. Les had previously been a Director of the Trust and had taken on a role as a Member due to other commitments. The Board are delighted that Les has returned to bring further experience, challenge and understanding to the Board.

Caroline Wagstaff was appointed as a Director of the Trust in September 2023. Caroline brings a wealth of experience in marketing, communications and stakeholder management and will be a welcome addition to the Board.

During the year, 2022/23 terms of reference for each of the committees that feed into the Board were reviewed at committee and Board level and there was a full review of the Scheme of Delegation.

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**PARADIGM TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

Members of the Trust met in May 2023 at their Annual General Meeting to review the annual report and accounts from 2021/22 and to receive updates on the Trust and financial position. The Members resolved to re-appoint the Auditors.

The Board and its committees will have their first external Board effectiveness review in Autumn 2023.

It is important for anyone involved in spending public money to demonstrate that they do not benefit personally from the decisions they make. To avoid any misunderstanding that might arise all Trustees, and staff with significant financial or spending powers are required to declare any financial interests they have in companies or individuals from whom the Trust may purchase goods or services. To this end, the Trust has established and maintains a register indicating individuals' business/pecuniary interests. This will include, if appropriate, the company by which they are employed, directorships, significant shareholdings or other appointments of influence within a business or other organisation which may have dealings with the Trust. This is updated on an annual basis. There is also a standing agenda item at every meeting (including committee meetings) called "Declaration of Interest" to allow the Trust and Directors the opportunity to declare any interests relating to items on the agenda.

The Operations and Finance Committee is a sub-committee of the main Board of Directors. Its purpose is to:

- hold the Accounting Officer accountable for the operation of the Trust;
- inform the decisions of the Board in its decision making process.

Attendance during the year at meetings was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
B Holledge, Chief Executive	8	8
D Willis	8	8
J Martin, Chair	7	8
V Karas	4	8
P Loft	3	3

During the year, Paul Loft was appointed to the Operations and Finance Committee. Paul brings a wealth of financial experience to the committee who are grateful for his insight and challenge provided.

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**PARADIGM TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Audit and Risk Committee is a sub-committee of the main Board of Directors. Its purpose is to:

- review the risks identified by the CEO and advise the necessary actions required to mitigate these risks;
- receive the internal auditor's report and follow up on any action points arising from these reports;
- scrutinise the financial statements and meet with the external auditors to discuss their findings;
- receive the Trust annual child protection audit reports and the Local Authority safeguarding audit reports.

Attendance during the year at meetings was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
J Martin	3	3
P Loft, Chair	3	3
V Hiscock	2	2
L Kennedy (co-opted member)	3	3

Val Hiscock stepped down from her role on the Audit and Risk Committee during the year. We are extremely grateful for the support, expertise and commitment she has dedicated to the role on the committee.

The Education Committee is a sub-committee of the main Board of Directors. Its purpose is to:

- monitor the educational performance of each of Paradigm's schools;
- consider educational aims and setting appropriate performance targets;
- adopt, monitor and review the Trust curriculum statements.

Attendance during the year at meetings was as follows:

<b>Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
B Holledge, Chief Executive	4	4
D Syndercombe Court, Chair	4	4
D Hughes	2	4
V Hiscock	1	2

Val Hiscock stepped down from her role on the Education Committee during the year. We are extremely grateful for her commitment and expertise given during her time on the committee.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of value for money**

As Accounting Officer, the Chief Executive Officer 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 Directors where value for money can be improved, including the use of benchmarking data where appropriate.

The Accounting Officer has delivered improved value for money during the year by:

**Improving educational outcomes**

Paradigm had a highly successful year in terms of Ofsted inspections - with both schools that were inspected achieved 'outstanding' grades.

Focus on individual pupils - the Trust has been highly effective in meeting the differing needs of the pupils that it serves, narrowing the gap between disadvantaged and other pupils, and also supporting pupils who have additional needs and/or are higher attaining.

Collaboration - the Trust has continued to work with a wide range of strategic partners (schools and other) in order to spread good practice. Shared curriculum development across the Trust has been a particular success.

**Better purchasing**

The Trust uses an outsourced procurement function in order to focus on synergies and Trust-wide contracts where possible in order to secure value for money. The Trust has taken opportunities for collaborative working across its schools to reduce and share administration and procurement costs. Services and contracts are regularly appraised for quality and outcome. Where it was thought that improved economies could be achieved, several quotes for work were obtained; a formal tender process operated for larger expenditures. The Trust has made effective use of public sector framework contracts to ensure value for money.

**Monitoring of estates**

We have a dedicated estates team who ensure the Trust's estate is safe, well-maintained, and complies with all regulations. We commission condition surveys in order to proactively identify any building condition works that may need to take place in order to formulate a three year capital plan (revised annually). We also work with our key contractors to ensure a robust PPM schedule and have developed a compliance tracker to ensure our buildings are warm, safe, secure, compliant, and dry. Overall, our estate is well managed to ensure a good learning environment for our pupils and a safe working environment for our staff.

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

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**PARADIGM TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Capacity to handle risk**

The Board of Directors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is 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 Directors.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with three year financial plans and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Operations and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Board of Directors has decided to employ Beevers and Struthers as internal auditor.

We would like to thank Mazars, our previous internal auditors, for all their hard work, challenge and insights over the past few years.

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

- Procurement
- Treasury management
- HR & Payroll
- Follow up on previous internal audit reports

The internal auditor reported to the Audit and Risk Committee and findings were discussed by the committee with management and the internal auditor. A number of recommendations for improvements were made and the committee will monitor implementation of the actions agreed with management.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**GOVERNANCE STATEMENT (CONTINUED)**

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**Review of effectiveness**

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

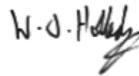
- the work of the internal auditor;
- the work of the external auditors;
- discussions at Board, Operations and Finance Committee and Audit and Risk Committee;
- the work of the executive managers within the Trust who have responsibility for the development; and maintenance of the internal control framework.

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

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



**D Willis**  
(Chairman)



**B Holledge**  
(Accounting Officer)

Date: 14 December 2023

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Paradigm Trust I have considered my responsibility to notify the Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with the terms and conditions of all funding, including for estates safety and management, under the funding agreements 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 Directors are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreements and the Academy Trust Handbook 2022.

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



**B Holledge**  
(Accounting Officer)

Date: 14 December 2023

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make 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 Directors 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 Directors 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 Directors 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 Directors and signed on its behalf by:



**D Willis**  
(Chairman)

Date: 14 December 2023

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PARADIGM TRUST**

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**Opinion**

We have audited the financial statements of Paradigm 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 Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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**Other information**

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

We have nothing to report in this regard.

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

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

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

**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 Directors' Report including the Strategic Report.

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

- 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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**Responsibilities of Directors**

As explained more fully in the Statement of Directors' Responsibilities, the Directors (who are also the Directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Trust and considered that the most significant are the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, the Charities SORP 2019, the Companies Act 2006, the Charities Act 2011, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Trust complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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.

**Use of our report**

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



**Frank Shippam BSc FCA DChA (Senior Statutory Auditor)**

for and on behalf of

**MA Partners Audit LLP**

Statutory Auditor

Chartered Accountants

7 The Close

Norwich

Norfolk

NR1 4DJ

Date: 15 December 2023

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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In accordance with the terms of our engagement letter dated 5 May 2022 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 Paradigm 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 Paradigm Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Paradigm 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 Paradigm Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Paradigm Trust's Accounting Officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Paradigm Trust's funding agreement with the Secretary of State for Education dated 28 August 2013 and 22 December 2016 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting 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.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Directors and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefitted from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with Part 8: Schedule of requirements (the "musts") of the Academy Trust Handbook 2022.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

### **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.



**MA Partners Audit LLP**

Statutory Auditor  
Chartered Accountants  
7 The Close  
Norwich  
Norfolk  
NR1 4DJ

Date: 15 December 2023

**PARADIGM TRUST**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2022</i> <i>£</i>
<b>Income from:</b>						
Donations and capital grants	3	3,600	61,194	9,048,152	9,112,946	515,781
Other trading activities	5	140,903	-	-	140,903	84,371
Investments	6	70,031	14,000	-	84,031	12,055
Charitable activities:	4					
Funding for the Trust's educational operations		212,105	25,789,025	-	26,001,130	23,916,592
<b>Total income</b>		<b>426,639</b>	<b>25,864,219</b>	<b>9,048,152</b>	<b>35,339,010</b>	<b>24,528,799</b>
<b>Expenditure on:</b>						
Charitable activities	7	53,845	26,648,338	2,440,011	29,142,194	26,884,533
<b>Total expenditure</b>		<b>53,845</b>	<b>26,648,338</b>	<b>2,440,011</b>	<b>29,142,194</b>	<b>26,884,533</b>
<b>Net income / (expenditure)</b>		<b>372,794</b>	<b>(784,119)</b>	<b>6,608,141</b>	<b>6,196,816</b>	<b>(2,355,734)</b>
Transfers between funds	19	-	191,032	(191,032)	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>372,794</b>	<b>(593,087)</b>	<b>6,417,109</b>	<b>6,196,816</b>	<b>(2,355,734)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	26	-	1,815,000	-	1,815,000	8,999,000
Pension surplus not recognised	26	-	(1,682,000)	-	(1,682,000)	(389,000)
<b>Net movement in funds</b>		<b>372,794</b>	<b>(460,087)</b>	<b>6,417,109</b>	<b>6,329,816</b>	<b>6,254,266</b>

**PARADIGM TRUST**  
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2022</i> <i>£</i>
<b>Reconciliation of funds:</b>						
Total funds brought forward as previously stated		1,870,977	1,785,072	39,323,083	42,979,132	36,335,866
Prior year adjustment	20	-	(389,000)	-	(389,000)	-
Total funds brought forward as restated		1,870,977	1,396,072	39,323,083	42,590,132	36,335,866
Net movement in funds		372,794	(460,087)	6,417,109	6,329,816	6,254,266
<b>Total funds carried forward</b>		<b>2,243,771</b>	<b>935,985</b>	<b>45,740,192</b>	<b>48,919,948</b>	<b>42,590,132</b>

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

The notes on pages 45 to 78 form part of these financial statements.

**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08469218**

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

	Note	2023 £	<i>As restated</i> 2022 £
<b>Fixed assets</b>			
Tangible assets	15	<b>45,314,166</b>	38,991,505
		<u>45,314,166</u>	<u>38,991,505</u>
<b>Current assets</b>			
Debtors	16	<b>1,626,282</b>	1,284,015
Investments	17	<b>2,500,000</b>	1,999,000
Cash at bank and in hand		<b>1,831,253</b>	2,582,653
		<u>5,957,535</u>	<u>5,865,668</u>
Creditors: amounts falling due within one year	18	<b>(2,351,753)</b>	(2,267,041)
<b>Net current assets</b>		<b>3,605,782</b>	3,598,627
<b>Total assets less current liabilities</b>		<b>48,919,948</b>	42,590,132
<b>Net assets excluding pension asset</b>		<b>48,919,948</b>	42,590,132
Defined benefit pension scheme asset	26	-	-
<b>Total net assets</b>		<b>48,919,948</b>	42,590,132
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	<b>45,740,192</b>	39,323,083
Restricted income funds	19	<b>935,985</b>	1,396,072
<b>Total restricted funds</b>	19	<b>46,676,177</b>	40,719,155
<b>Unrestricted income funds</b>	19	<b>2,243,771</b>	1,870,977
<b>Total funds</b>		<b>48,919,948</b>	42,590,132

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08469218**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

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The financial statements on pages 40 to 78 were approved and authorised for issue by the Directors and are signed on their behalf, by:



**D Willis**  
(Chairman)

Date: 14 December 2023

The notes on pages 45 to 78 form part of these financial statements.

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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	<b>Note</b>	<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	22	<b>(780,745)</b>	(250,874)
<b>Cash flows from investing activities</b>	23	<b>29,345</b>	(869,309)
<b>Change in cash and cash equivalents in the year</b>		<b>(751,400)</b>	(1,120,183)
Cash and cash equivalents at the beginning of the year		<b>2,582,653</b>	3,702,836
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<b>1,831,253</b>	2,582,653

The notes on pages 45 to 78 from part of these financial statements

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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**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 2022-23 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

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

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**PARADIGM TRUST**  
**(A Company Limited by Guarantee)**

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

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**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.

• **Donated fixed assets (excluding transfers on conversion or into the Trust)**

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

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

• **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.

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**(A Company Limited by Guarantee)**

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

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**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

Termination payments are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Trust recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination payments as a result of an offer made to encourage voluntary redundancy.

**1.5 Interest receivable**

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

**1.6 Tangible fixed assets**

Assets costing £5,000 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.

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 buildings	- 50 years straight line
Long-term leasehold buildings	- 45-50 years straight line
Long-term leasehold land	- Over the term of the lease
Furniture and equipment	- 7 years straight line
Plant and equipment	- 10 years straight line
Computer equipment	- 3 years straight line
Leasehold improvements	- 5-10 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.

**1.7 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.

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

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**1. Accounting policies (continued)**

**1.8 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.

Cash investments with a maturity date of at least three months from the date of acquisition or opening of the deposit or similar account are recognised as short-term investments.

**1.9 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.

**1.10 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 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. 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.

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

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**1. Accounting policies (continued)**

**1.11 Pensions**

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 so as to spread the cost of pensions over employees' working lives with the 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 on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the 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.

**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 Directors.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

In assessing the carrying value of tangible fixed assets the Directors estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial period.

Critical areas of judgement:

The school building at Old Ford Primary Academy is under a 25 year PFI contract. In the opinion of the Directors, the risks and rewards of ownership have not transferred to the Trust. The London Borough of Tower Hamlets continues to recognise the asset within their balance sheet as part of property, plant and equipment. Consequently no value for land and buildings related to this contract have been included in these financial statements.

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

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

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Restricted fixed asset funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Donations	3,600	61,194	8,275,000	<b>8,339,794</b>	65,830
Capital grants	-	-	773,152	<b>773,152</b>	449,951
<b>Total 2023</b>	<u>3,600</u>	<u>61,194</u>	<u>9,048,152</u>	<b><u>9,112,946</u></b>	<u>515,781</u>
<i>Total 2022</i>	<u>1,500</u>	<u>64,330</u>	<u>449,951</u>	<u>515,781</u>	

**PARADIGM TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**4. Funding for the Trust's educational operations**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	19,018,822	<b>19,018,822</b>	18,268,119
Other DfE/ESFA grants				
Pupil Premium	-	1,758,594	<b>1,758,594</b>	1,651,381
Supplementary grant	-	532,783	<b>532,783</b>	221,994
MSAG Grant	-	273,622	<b>273,622</b>	-
Universal Infant Free School Meals	-	237,881	<b>237,881</b>	235,988
School Led Tutoring	-	216,440	<b>216,440</b>	197,237
Rates relief	-	121,110	<b>121,110</b>	103,387
PE and Sports Grant	-	98,040	<b>98,040</b>	97,750
Teachers' pension grant	-	20,165	<b>20,165</b>	33,521
Teachers' pay grant	-	7,136	<b>7,136</b>	11,864
Pre-opening funding	-	857	<b>857</b>	190,000
Post-opening funding	-	93,000	<b>93,000</b>	-
Schools Direct funding	-	-	-	(12,273)
Other ESFA grants	-	42,692	<b>42,692</b>	31,912
	-	22,421,142	<b>22,421,142</b>	21,030,880
<b>Other Government grants</b>				
LA - High needs top up	-	1,552,670	<b>1,552,670</b>	951,631
LA - Early years funding	-	975,232	<b>975,232</b>	956,453
LA - SEN Unit funding	-	277,166	<b>277,166</b>	203,433
LA - Meals funding	-	169,097	<b>169,097</b>	186,856
LA - Pupil Premium	-	20,860	<b>20,860</b>	12,416
Other LA grants	-	55,963	<b>55,963</b>	148,811
	-	3,050,988	<b>3,050,988</b>	2,459,600
<b>Other income from the Trust's educational operations</b>	212,105	41,067	<b>253,172</b>	213,313
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up Premium	-	275,828	<b>275,828</b>	194,212
Other DfE/ESFA COVID-19 funding	-	-	-	18,587
	-	275,828	<b>275,828</b>	212,799

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

**4. Funding for the Trust's educational operations (continued)**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
<b>Total 2023</b>	212,105	25,789,025	<b>26,001,130</b>	23,916,592
<i>Total 2022</i>	209,780	23,706,812	23,916,592	

The Trust received £275,828 (2022: £194,212) of funding for catch-up premium which was fully spent in the year.

**5. Income from other trading activities**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Hire of facilities	77,544	-	<b>77,544</b>	40,355
Other income	63,359	-	<b>63,359</b>	44,016
<b>Total 2023</b>	140,903	-	<b>140,903</b>	84,371
<i>Total 2022</i>	73,707	10,664	84,371	

**6. Investment income**

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Bank interest	70,031	-	<b>70,031</b>	12,055
Pension income	-	14,000	<b>14,000</b>	-
<b>Total 2023</b>	70,031	14,000	<b>84,031</b>	12,055
<i>Total 2022</i>	12,055	-	12,055	

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

**6. Investment income (continued)**

**7. Expenditure**

	<b>Staff Costs 2023 £</b>	<b>Premises 2023 £</b>	<b>Other 2023 £</b>	<b>Total 2023 £</b>	<i>Total 2022 £</i>
Trust's educational operations					
Direct costs	17,243,803	-	2,609,631	<b>19,853,434</b>	18,256,981
Allocated support costs	2,418,290	4,777,227	2,093,243	<b>9,288,760</b>	8,627,552
<b>Total 2023</b>	<u>19,662,093</u>	<u>4,777,227</u>	<u>4,702,874</u>	<u><b>29,142,194</b></u>	<u>26,884,533</u>
<i>Total 2022</i>	<u>19,315,722</u>	<u>2,888,077</u>	<u>4,680,734</u>	<u>26,884,533</u>	

**8. Charitable activities**

	<b>Activities undertaken directly 2023 £</b>	<b>Support costs 2023 £</b>	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Educational operations	19,853,434	9,288,760	<b>29,142,194</b>	26,884,533
<i>Total 2022</i>	<u>18,256,981</u>	<u>8,627,552</u>	<u>26,884,533</u>	

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. Charitable activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Staff costs	<b>14,946,308</b>	14,128,955
Learning resources and other direct costs	<b>2,250,434</b>	2,043,802
Agency supply costs	<b>2,034,050</b>	1,558,843
Trip costs	<b>297,581</b>	227,082
Staff development and other staff costs	<b>263,445</b>	246,030
Examination fees	<b>61,616</b>	52,269
	<b>19,853,434</b>	18,256,981

**Analysis of support costs**

	<b>Total funds 2023 £</b>	<i>Total funds 2022 £</i>
Premises costs	<b>2,583,704</b>	2,047,185
Staff costs	<b>2,333,194</b>	3,296,520
Impairment charge	<b>1,351,081</b>	-
Depreciation	<b>1,088,930</b>	1,176,430
Catering	<b>972,768</b>	975,475
Governance costs	<b>401,984</b>	454,039
Other support costs	<b>272,620</b>	285,419
Technology costs	<b>125,394</b>	104,891
Agency supply costs	<b>85,096</b>	85,374
Insurance	<b>73,989</b>	72,219
Pension finance costs	<b>-</b>	130,000
	<b>9,288,760</b>	8,627,552

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

**9. Analysis of specific expenses**

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the Trust	2,437	-	Not applicable - below £5,000

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

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	(50,944)	(49,737)
Depreciation of tangible fixed assets	(1,088,930)	(1,176,430)
Fees paid to auditors for:		
- audit	(15,750)	(16,000)
- other services	(23,045)	(2,325)
	<u>                    </u>	<u>                    </u>

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	13,512,119	12,724,788
Social security costs	1,411,470	1,318,176
Pension costs	2,333,463	3,382,511
	<u>                    </u>	<u>                    </u>
	17,257,052	17,425,475
Agency staff costs	2,119,146	1,644,217
Staff restructuring costs	22,450	-
Staff development and other staff costs	263,445	246,030
	<u>                    </u>	<u>                    </u>
	19,662,093	19,315,722
	<u>                    </u>	<u>                    </u>

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

**11. Staff (continued)**

**a. Staff costs (continued)**

Staff restructuring costs comprise:

	2023 £	2022 £
Severance payments	22,450	-
	22,450	-
	22,450	-

**b. Severance payments**

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

	2023 No.	2022 No.
£0 - £25,000	2	-
	2	-
	2	-

**c. Non-statutory/non-contractual staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £22,450 (2022: £Nil). Individually, the payments were: £1,973 and £20,477.

**d. Staff numbers**

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

	2023 No.	2022 No.
Teachers	177	176
Administration and support	72	74
Management	35	35
Classroom support staff	153	156
	437	441
	437	441

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

**11. Staff (continued)**

**d. Staff numbers (continued)**

The average headcount expressed as full-time equivalents was:

	<b>2023</b>	2022
	<b>No.</b>	No.
Teachers	<b>153</b>	158
Administration and support	<b>48</b>	46
Management	<b>35</b>	33
Classroom support staff	<b>108</b>	110
	<b>344</b>	347

**e. Higher paid staff**

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

	<b>2023</b>	2022
	<b>No.</b>	No.
In the band £60,001 - £70,000	<b>13</b>	15
In the band £70,001 - £80,000	<b>7</b>	3
In the band £80,001 - £90,000	<b>3</b>	2
In the band £90,001 - £100,000	<b>-</b>	1
In the band £100,001 - £110,000	<b>1</b>	1
In the band £110,001 - £120,000	<b>2</b>	1
In the band £190,001 - £200,000	<b>1</b>	1

**f. Key management personnel**

The key management personnel of the Trust comprise the Directors and the senior management team as listed on pages 1 and 2. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,810,294 (2022 - £1,588,379).

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

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**12. Central services**

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

- Advisory
- Company secretarial
- Data and performance
- Finance
- Governance
- Human resources
- Legal
- Operations
- Procurement
- Teaching and learning

The Trust charges for these services on the following basis:

Costs charged to each school based on pupil numbers

The actual amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Culloden Primary Academy	<b>601,836</b>	523,365
Ipswich Academy	<b>934,272</b>	836,976
Old Ford Primary Academy	<b>588,792</b>	540,973
Solebay Primary Academy	<b>242,976</b>	190,092
Murrayfield Primary Academy	<b>278,748</b>	223,428
Piper's Vale Primary Academy	<b>230,148</b>	200,472
Woodbridge Road Academy	<b>30,000</b>	40,000
<b>Total</b>	<b>2,906,772</b>	<b>2,555,306</b>

In addition, GAG income for each academy is pooled. An appeals mechanism is in place in accordance with the Academy Trust Handbook should a Principal feel that the academy has been unfairly treated.

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

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**13. Directors' remuneration and expenses**

One Director has been paid remuneration or has received other benefits from an employment with the Trust. This Director only receives remuneration in respect of services they provide undertaking the roles of CEO under their contract of employment. The value of Directors' remuneration and other benefits was as follows:

		<b>2023</b>	<b>2022</b>
		<b>£</b>	<b>£</b>
B Holledge, Chief Executive	Remuneration	<b>195,000 -</b>	<i>190,000 -</i>
		<b>200,000</b>	<i>195,000</i>
	Pension contributions paid	<b>45,000 -</b>	<i>45,000 -</i>
		<b>50,000</b>	<i>50,000</i>

During the year ended 31 August 2023, travel and subsistence expenses totaling £197 were reimbursed or paid directly to 1 Director (*2022 - £208 to 1 Director*).

**14. Directors' and Officers' insurance**

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

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FOR THE YEAR ENDED 31 AUGUST 2023**

**15. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Furniture, plant and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 September 2022	8,309,198	35,769,729	889,570	1,691,188	46,659,685
Additions	19,352	8,560,654	24,380	158,286	8,762,672
At 31 August 2023	<u>8,328,550</u>	<u>44,330,383</u>	<u>913,950</u>	<u>1,849,474</u>	<u>55,422,357</u>
<b>Depreciation</b>					
At 1 September 2022	587,623	5,155,313	481,792	1,443,452	7,668,180
Charge for the year	74,217	768,225	57,568	188,920	1,088,930
Impairment charge	-	1,351,081	-	-	1,351,081
At 31 August 2023	<u>661,840</u>	<u>7,274,619</u>	<u>539,360</u>	<u>1,632,372</u>	<u>10,108,191</u>
<b>Net book value</b>					
At 31 August 2023	<u><u>7,666,710</u></u>	<u><u>37,055,764</u></u>	<u><u>374,590</u></u>	<u><u>217,102</u></u>	<u><u>45,314,166</u></u>
At 31 August 2022	<u><u>7,721,575</u></u>	<u><u>30,614,416</u></u>	<u><u>407,778</u></u>	<u><u>247,736</u></u>	<u><u>38,991,505</u></u>

During the year Piper's Vale Primary was subject to routine desktop valuations undertaken on behalf of the Department for Education. This resulted in an impairment charge of £1,351,081. In August 2023 the land and buildings at Woodbridge Road Academy were transferred on a long-term lease to the Trust with a value of £8,275,000.

Included in the net book value of property displayed above are the following amounts ascribable to land:

	2023 £	2022 £
Freehold land	4,600,000	4,600,000
Long-term leasehold land	5,281,153	4,292,786
	<u><u>9,881,153</u></u>	<u><u>8,892,786</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Debtors**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	188,647	34,676
Other debtors	1,696	28,450
Prepayments and accrued income	1,020,980	863,845
VAT recoverable	414,959	357,044
	<b>1,626,282</b>	<b>1,284,015</b>

**17. Current asset investments**

	2023 £	2022 £
Unlisted investments	<b>2,500,000</b>	<b>1,999,000</b>

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

	2023 £	2022 £
Trade creditors	437,827	758,882
Other taxation and social security	333,917	319,675
Other creditors	270,402	267,988
Accruals and deferred income	1,309,607	920,496
	<b>2,351,753</b>	<b>2,267,041</b>

	2023 £	2022 £
Deferred income at 1 September 2022	324,127	301,617
Resources deferred during the year	259,393	324,127
Amounts released from previous periods	(324,127)	(301,617)
	<b>259,393</b>	<b>324,127</b>

Included within deferred income are the following amounts which all relate to the period post year end:  
 Universal Infant Free School Meals funding of £145,676  
 Local Authority funding for High Needs of £35,817  
 Other grants of £77,900

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds**

	As restated Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Unrestricted funds</b>						
General fund	1,870,977	426,639	(53,845)	-	-	2,243,771
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,396,072	19,018,822	(18,996,941)	(481,968)	-	935,985
Pupil Premium	-	1,758,594	(1,758,594)	-	-	-
Supplementary grant	-	532,783	(532,783)	-	-	-
MSAG grant	-	273,622	(273,622)	-	-	-
UIFSM	-	237,881	(237,881)	-	-	-
School Led Tutoring	-	216,440	(216,440)	-	-	-
Rates relief	-	121,110	(121,110)	-	-	-
PE and sports grant	-	98,040	(98,040)	-	-	-
Teachers' pension grant	-	20,165	(20,165)	-	-	-
Teachers' pay grant	-	7,136	(7,136)	-	-	-
Start up grants	-	93,857	(93,857)	-	-	-
Catch-up premium	-	275,828	(275,828)	-	-	-
Other ESFA grants	-	42,692	(42,692)	-	-	-
High Needs	-	1,552,670	(1,552,670)	-	-	-
Early Years funding	-	975,232	(975,232)	-	-	-
SEN Unit funding	-	277,166	(277,166)	-	-	-
Mayor's meals	-	169,097	(169,097)	-	-	-
Pupil Premium - LAC	-	20,860	(20,860)	-	-	-
Other LA grants	-	55,963	(55,963)	-	-	-

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

	<b>As restated Balance at 1 September 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers in/out £</b>	<b>Gains/ (Losses) £</b>	<b>Balance at 31 August 2023 £</b>
Donations and other	-	102,261	(102,261)	-	-	-
Pension reserve	-	14,000	(820,000)	673,000	133,000	-
	<b>1,396,072</b>	<b>25,864,219</b>	<b>(26,648,338)</b>	<b>191,032</b>	<b>133,000</b>	<b>935,985</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds (continued)**

	As restated Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
<b>Restricted fixed asset funds</b>						
Transfer on conversion	37,014,389	-	(2,075,762)	-	-	34,938,627
DfE group capital grants	1,822,579	673,152	(180,236)	(191,032)	-	2,124,463
Capital expenditure from GAG	283,409	-	(107,640)	-	-	175,769
Private sector capital sponsorship	113,526	100,000	(11,598)	-	-	201,928
LA capital grants	4,425	-	(2,391)	-	-	2,034
Donated assets	84,755	8,275,000	(62,384)	-	-	8,297,371
	<u>39,323,083</u>	<u>9,048,152</u>	<u>(2,440,011)</u>	<u>(191,032)</u>	<u>-</u>	<u>45,740,192</u>
<b>Total Restricted funds</b>	<u>40,719,155</u>	<u>34,912,371</u>	<u>(29,088,349)</u>	<u>-</u>	<u>133,000</u>	<u>46,676,177</u>
<b>Total funds</b>	<u>42,590,132</u>	<u>35,339,010</u>	<u>(29,142,194)</u>	<u>-</u>	<u>133,000</u>	<u>48,919,948</u>

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

The General Annual Grant (GAG) is for the normal running costs of the schools within the Trust. The following transfers have been made from GAG: £673,000 to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme and £191,032 from restricted fixed asset funds to GAG for capital funding used toward revenue costs.

Rates relief funding is provided by the ESFA to reimburse the Trust for rates charges incurred.

The Pupil Premium income has been provided by the ESFA and Local Authority to help raise the attainment of disadvantaged pupils.

Supplementary grant was received to support the increase in National Insurance costs and has been spent in full on staffing costs.

MSAG grant was received by the DfE to supplement schools' core budgets, as announced in the 2022 Autumn Statement.

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

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

School led tutoring was received from the ESFA to support pupils with missed learning due to the Covid-19 pandemic.

Funding was received from the ESFA to assist with the provision of Universal Infant Free School Meals.

Teachers' pay grant was received from the ESFA to cover the additional costs of the agreed teachers' pay increase for the year.

Teachers' pension grant was received from the ESFA to cover the additional costs of the agreed teachers pension increase introduced from 1 September 2019.

The PE and sports grant represents funding received towards the cost of improving PE provision.

A post-opening grant was received from the ESFA to fund the post-opening costs relating to Woodbridge Road Academy which opened in September 2022.

Early years funding is utilised to operate nurseries at Culloden Primary Academy, Murrayfield Primary Academy, Old Ford Primary Academy, Piper's Vale Primary Academy and Solebay Primary Academy.

High needs top up funding is received from Local Authorities and is focused on children with special educational needs. This funding is utilised on SEN co-ordinators and additional teaching resources orientated to support normal curriculum learning.

SEN unit income was received to support the SEN Units at Murrayfield Primary Academy and Piper's Vale Primary Academy.

Mayor's meals income was received from London Borough of Tower Hamlets for our London schools to pay for school meals for all key stage 2 children. Further funding was received from the Local Authority to cover the cost of providing food vouchers to eligible pupils during the Covid-19 pandemic.

Covid catch-up premium funding was received from the ESFA to support pupils to catch up on missed learning caused by Covid-19.

Capital funding was received from the DfE, including Schools Condition Allocation and Devolved Formula Capital funding. These amounts are to be used for the improvement and maintenance of the Trust's assets.

Additional capital funding was received from the DfE for the provision of IT equipment at Woodbridge Road Academy.

Capital funding was received from The Wolfson Foundation for the refurbishment of the food technology and DT facilities at Ipswich Academy.

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.

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

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

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

	<i>Balance at 1 September 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>As restated Balance at 31 August 2022</i>
	£	£	£	£	£	£
<b>Unrestricted funds</b>						
General fund	1,641,786	297,042	(67,851)	-	-	1,870,977

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

	<i>Balance at 1 September 2021</i>	<i>Income</i>	<i>Expenditure</i>	<i>Transfers in/out</i>	<i>Gains/ (Losses)</i>	<i>As restated Balance at 31 August 2022</i>
	£	£	£	£	£	£
<b>Restricted general funds</b>						
General Annual Grant (GAG)	1,833,322	18,268,119	(18,175,389)	(529,980)	-	1,396,072
Rates relief	-	103,387	(103,387)	-	-	-
UIFSM	-	235,988	(235,988)	-	-	-
Pupil Premium	-	1,651,381	(1,651,381)	-	-	-
School Led Tutoring	-	197,237	(197,237)	-	-	-
Teachers' pay grant	-	11,864	(11,864)	-	-	-
Teachers' pension grant	-	33,521	(33,521)	-	-	-
PE and sports grant	-	97,750	(97,750)	-	-	-
Supplementary grant	-	221,994	(221,994)	-	-	-
Other LA grants	-	161,227	(161,227)	-	-	-
Start up grants	5,906	190,000	(195,906)	-	-	-
Other ESFA grants	-	19,639	(19,639)	-	-	-
Early Years funding	-	956,453	(956,453)	-	-	-
Mayor's meals	-	186,856	(186,856)	-	-	-
High Needs	-	951,631	(951,631)	-	-	-
SEN Unit funding	-	203,433	(203,433)	-	-	-
Other	-	14,197	(14,197)	-	-	-
Donations	-	64,330	(64,330)	-	-	-
Catch-up premium	23,270	194,212	(217,482)	-	-	-
Other ESFA Covid funding	-	18,587	(18,587)	-	-	-
Pension reserve	(7,305,000)	-	(1,922,000)	617,000	8,610,000	-
	<u>(5,442,502)</u>	<u>23,781,806</u>	<u>(25,640,252)</u>	<u>87,020</u>	<u>8,610,000</u>	<u>1,396,072</u>

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

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>As restated Balance at 31 August 2022 £</i>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	37,774,815	-	(760,426)	-	-	37,014,389
DfE group capital grants	1,711,152	413,583	(190,371)	(111,785)	-	1,822,579
Capital expenditure from GAG	414,991	-	(156,347)	24,765	-	283,409
Private sector capital sponsorship	81,405	36,368	(4,247)	-	-	113,526
LA capital grants	7,080	-	(2,655)	-	-	4,425
Donated assets	147,139	-	(62,384)	-	-	84,755
	<u>40,136,582</u>	<u>449,951</u>	<u>(1,176,430)</u>	<u>(87,020)</u>	<u>-</u>	<u>39,323,083</u>
<b>Total Restricted funds</b>	<u>34,694,080</u>	<u>24,231,757</u>	<u>(26,816,682)</u>	<u>-</u>	<u>8,610,000</u>	<u>40,719,155</u>
<b>Total funds</b>	<u>36,335,866</u>	<u>24,528,799</u>	<u>(26,884,533)</u>	<u>-</u>	<u>8,610,000</u>	<u>42,590,132</u>

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	<b>2023 £</b>	<b>2022 £</b>
Central Services	<u>3,179,756</u>	<u>3,267,049</u>
Restricted fixed asset fund	<u>45,740,192</u>	<u>39,323,083</u>
<b>Total</b>	<u>48,919,948</u>	<u>42,590,132</u>

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

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

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Culloden Primary Academy	3,731,642	184,727	381,975	814,612	<b>5,112,956</b>	5,477,617
Ipswich Academy	4,743,155	316,083	450,689	883,951	<b>6,393,878</b>	6,789,214
Old Ford Primary Academy	3,108,812	235,218	354,362	1,095,409	<b>4,793,801</b>	5,103,439
Solebay Primary Academy	1,215,929	126,195	213,984	420,030	<b>1,976,138</b>	2,034,496
Murrayfield Primary Academy	1,749,996	150,085	191,297	422,413	<b>2,513,791</b>	2,403,134
Piper's Vale Primary Academy	1,389,771	143,146	180,227	308,197	<b>2,021,341</b>	2,127,888
Woodbridge Road Academy	390,818	45,052	99,116	47,381	<b>582,367</b>	195,906
Central Services	913,680	1,217,784	737,981	438,466	<b>3,307,911</b>	1,576,409
<b>Trust</b>	<b>17,243,803</b>	<b>2,418,290</b>	<b>2,609,631</b>	<b>4,430,459</b>	<b>26,702,183</b>	<b>25,708,103</b>

**20. Prior year adjustments**

Following additional professional advice in the year, including asset ceiling calculations from the schemes' actuaries that were not available when the 2022 financial statements were prepared, the Trustees no longer consider it appropriate to recognise an asset for the Local Government Scheme surplus. As a result, the comparatives have been adjusted to remove the asset of £389,000 that was reported as at 31 August 2022.

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

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

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

	<b>Unrestricted funds 2023 £</b>	<b>Restricted funds 2023 £</b>	<b>Restricted fixed asset funds 2023 £</b>	<b>Total funds 2023 £</b>
Tangible fixed assets	-	-	45,314,166	<b>45,314,166</b>
Current assets	2,283,047	3,073,628	600,860	<b>5,957,535</b>
Creditors due within one year	(39,276)	(2,137,643)	(174,834)	<b>(2,351,753)</b>
<b>Total</b>	<b>2,243,771</b>	<b>935,985</b>	<b>45,740,192</b>	<b>48,919,948</b>

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

	<i>Unrestricted funds 2022 £</i>	<i>As restated Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>As restated Total funds 2022 £</i>
Tangible fixed assets	-	-	38,991,505	38,991,505
Current assets	1,870,977	3,613,288	381,403	5,865,668
Creditors due within one year	-	(2,217,216)	(49,825)	(2,267,041)
<b>Total As restated</b>	<b>1,870,977</b>	<b>1,396,072</b>	<b>39,323,083</b>	<b>42,590,132</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**22. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>6,196,816</b>	<b>(2,355,734)</b>
<b>Adjustments for:</b>		
Depreciation	<b>1,088,930</b>	<b>1,176,430</b>
Capital grants from DfE and other capital income	<b>(773,152)</b>	<b>(449,951)</b>
Interest receivable	<b>(70,031)</b>	<b>(12,055)</b>
Defined benefit pension scheme cost less contributions payable	<b>147,000</b>	<b>1,175,000</b>
Defined benefit pension scheme net finance cost	<b>(14,000)</b>	<b>130,000</b>
Increase in debtors	<b>(342,267)</b>	<b>(64,514)</b>
(Decrease)/increase in creditors	<b>(90,122)</b>	<b>149,950</b>
Impairment charge	<b>1,351,081</b>	<b>-</b>
Donated asset	<b>(8,275,000)</b>	<b>-</b>
<b>Net cash used in operating activities</b>	<b>(780,745)</b>	<b>(250,874)</b>

**23. Cash flows from investing activities**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	<b>70,031</b>	<b>12,055</b>
Purchase of tangible fixed assets	<b>(312,838)</b>	<b>(332,315)</b>
Increase in investments	<b>(501,000)</b>	<b>(999,000)</b>
Capital grants from DfE Group and other capital income	<b>773,152</b>	<b>449,951</b>
<b>Net cash provided by/(used in) investing activities</b>	<b>29,345</b>	<b>(869,309)</b>

**24. Analysis of cash and cash equivalents**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Cash in hand and at bank	<b>1,831,253</b>	<b>2,582,653</b>
<b>Total cash and cash equivalents</b>	<b>1,831,253</b>	<b>2,582,653</b>

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

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

	<b>At 1 September 2022 £</b>	<b>Cash flows £</b>	<b>At 31 August 2023 £</b>
Cash at bank and in hand	2,582,653	(751,400)	1,831,253
Liquid investments	1,999,000	501,000	2,500,000
	<u>4,581,653</u>	<u>(250,400)</u>	<u>4,331,253</u>

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

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**26. 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 London Borough of Tower Hamlets (LBTH) and Suffolk County Council (SCC). Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

Contributions amounting to £258,580 were payable to the schemes at 31 August 2023 (2022 - £255,853) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,650,461 (2022 - £1,599,248).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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.

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

**26. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £884,000 (2022 - £802,000), of which employer's contributions totalled £673,000 (2022 - £617,000) and employees' contributions totalled £211,000 (2022 - £185,000). The agreed contribution rates for future years are 21.3-25.5 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 1.11 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.

**Principal actuarial assumptions**

	<b>2023</b>	2022
	%	%
Rate of increase for pensions in payment/inflation	<b>2.95</b>	3.1
Discount rate for scheme liabilities	<b>5.20</b>	4.3
Inflation assumption (CPI)	<b>2.95</b>	3.1
Rate of increase in salaries (%) LBTH	<b>2.95</b>	3.3
Rate of increase in salaries (%) SCC	<b>3.95</b>	3.8

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

	<b>2023</b>	2022
	Years	Years
<i>Retiring today</i>		
Males (LBTH, SCC)	<b>19.3, 20.4</b>	21.5, 21.9
Females (LBTH, SCC)	<b>21.5, 24.4</b>	23.7, 24.3
<i>Retiring in 20 years</i>		
Males (LBTH, SCC)	<b>20.6, 21.2</b>	22.7, 22.9
Females (LBTH, SCC)	<b>24.8, 25.1</b>	25.5, 26.1

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**26. Pension commitments (continued)**

**Sensitivity analysis**

	<b>2023</b>	<i>2022</i>
	<b>£000</b>	<i>£000</i>
Discount rate -0.1%	<b>242</b>	<i>271</i>
Salary increase rate +0.1%	<b>12</b>	<i>14</i>
Pension increase rate +0.1%	<b>235</b>	<i>261</i>
	<b>=====</b>	<i>=====</i>

**Share of scheme assets**

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

	<b>At 31</b>	<i>At 31 August</i>
	<b>August 2023</b>	<i>2022</i>
	<b>£</b>	<i>£</i>
Equities	<b>8,578,430</b>	<i>8,173,260</i>
Bonds	<b>2,312,420</b>	<i>1,887,120</i>
Property	<b>1,029,740</b>	<i>1,121,400</i>
Cash	<b>120,410</b>	<i>32,220</i>
	<b>=====</b>	<i>=====</i>
<b>Total market value of assets</b>	<b>12,041,000</b>	<i>11,214,000</i>
	<b>=====</b>	<i>=====</i>

The actual return on scheme assets was £101,000 (2022 - £(272,000)).

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

	<b>2023</b>	<i>2022</i>
	<b>£</b>	<i>£</i>
Current service cost	<b>(820,000)</b>	<i>(1,792,000)</i>
Interest income	<b>492,000</b>	<i>184,000</i>
Interest cost	<b>(478,000)</b>	<i>(314,000)</i>
	<b>=====</b>	<i>=====</i>
<b>Total amount recognised in the Statement of Financial Activities</b>	<b>(806,000)</b>	<i>(1,922,000)</i>
	<b>=====</b>	<i>=====</i>

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**26. Pension commitments (continued)**

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

	2023 £	2022 £
<b>At 1 September</b>	<b>10,825,000</b>	<i>18,112,000</i>
Current service cost	<b>820,000</b>	<i>1,792,000</i>
Interest cost	<b>478,000</b>	<i>314,000</i>
Employee contributions	<b>211,000</b>	<i>185,000</i>
Actuarial gains	<b>(2,206,000)</b>	<i>(9,455,000)</i>
Benefits paid	<b>(158,000)</b>	<i>(123,000)</i>
<b>At 31 August</b>	<b>9,970,000</b>	<i>10,825,000</i>

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

	2023 £	2022 £
<b>At 1 September</b>	<b>11,214,000</b>	<i>10,807,000</i>
Interest income	<b>492,000</b>	<i>184,000</i>
Actuarial losses	<b>(391,000)</b>	<i>(456,000)</i>
Employer contributions	<b>673,000</b>	<i>617,000</i>
Employee contributions	<b>211,000</b>	<i>185,000</i>
Benefits paid	<b>(158,000)</b>	<i>(123,000)</i>
<b>At 31 August</b>	<b>12,041,000</b>	<i>11,214,000</i>

The fair value of the pension plan assets at 31 August 2023 is in excess of the present value of the defined benefit obligation at that date. This gives rise to a surplus of £2,071,000.

The surplus is recognised in the financial statements only to the extent that the Trust can recover that surplus, either through a reduction in future contributions or through a refund to the Trust.

The Trust is unable to determine that future contributions will be reduced and it is not possible for the Trust to receive a refund, as the specific conditions for this have not been met. Therefore, the surplus of £2,071,000 is not recognised as an asset at 31 August 2023.

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**27. 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 £	2022 £
Not later than 1 year	60,139	13,827
Later than 1 year and not later than 5 years	45,071	-
	<u>105,210</u>	<u>13,827</u>

**28. Other financial commitments**

In addition to the above, the Trust maintains some of its assets under a PFI agreement. The amount due for the following financial year under this agreement is estimated to be **£599,031** (2022 - £538,376). The cost of the PFI agreement changes annually based on pupil numbers and the Retail Price Index plus 1.2%. As such the cost of the PFI agreement for the remainder of the 25 year term would total approximately **£1,992,392** (2022 - £2,641,706).

**29. Related party transactions**

No related party transactions took place in the period of account, other than certain Directors' remuneration and expenses already disclosed in note 13.