

Company registration number 07990029 (England and Wales)

**PRESDALES SCHOOL ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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



# **PRESDALES SCHOOL ACADEMY TRUST**

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# PRESDALES SCHOOL ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

D Allchin  
K Freed  
E Godfrey  
A Henshall  
J Harvey

### Trustees

N Burridge  
S Cove (Appointed 30 September 2022)  
N Denison  
E Flawn  
H Freed  
J Harvey (Chair of Trustees)  
A Hobson  
M Robinson  
J Salter (Resigned 27 April 2023)  
M Waller  
H Fellows (Appointed 30 September 2022)  
E Cannon (Appointed 31 October 2023)

### Senior management team

- Headteacher	Mr M Warren
- Deputy Headteacher	Mrs S Miller
- Deputy Headteacher	Mrs J Stephenson
- Assistant Headteacher	Ms K Chandler
- Assistant Headteacher	Mrs S Inwood
- Assistant Headteacher	Ms S Jennings
- Assistant Headteacher	Mrs E Sykes
- Assistant Headteacher	Mr M Payne
- School Business Manager	Mrs F Richardson

### Company registration number

07990029 (England and Wales)

### Registered office

Hoe Lane  
Ware  
Hertfordshire  
SG12 9NX  
United Kingdom

### Independent auditor

Azets  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
PE1 2SP  
United Kingdom

# **PRESDALES SCHOOL ACADEMY TRUST**

## **TRUSTEES' REPORT**

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

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The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The trustees confirm that the Annual Report and auditor's of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Presdales School is an academy for girls aged 11-18, with boys welcome in the sixth form, serving a catchment area in Ware, Hertford and surrounding areas. The Pupil Admission Number (PAN) was increased to 180 giving a total capacity of 900 at Key Stages 3 and 4 with 896 students on roll in the school census in January 2022, plus 264 students at Key Stage 5.

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

##### Constitution

The academy is a charitable company limited by guarantee and an exempt charity which was set up by a Memorandum of Association on 14 March 2012.

The charitable company's memorandum and articles of association are the primary governing documents of the academy. The Articles of Association were revised in October 2018 to reflect the size and structure preferred by ESFA, separating the roles of members and trustees. Members of staff no longer serve as Trustees.

The trustees of Presdales School Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is also known as Presdales School.

Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

##### Members' liability

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

##### Trustees' indemnities

The academy subscribes to the Risk Protection Arrangement to protect Trustees and officers from claims arising from negligent act, errors or omissions whilst on academy business.

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

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

There are a minimum of 2 and maximum of 4 trustees who are elected onto the board by parents. They are elected by parents of pupils registered at the academy through a formal process following notification of vacancies and invitation of nominations. All parents and carers of students at the academy are eligible to stand.

Members appoint up to 3 Trustees and 6 trustees may be co-opted by the Trust Board. Potential new Trustees are requested to submit a CV and meet with the Chair and Vice-Chair of Trustees and the Headteacher. When appropriate, the Chair, Vice-Chair and Headteacher will make a recommendation to the board for an appointment.

Care is taken to ensure a balance and mix of skills required for the proper running of the academy and this will be given weight when assessing a new appointment. New Trustees are often drawn from the local community and recruitment is through a combination of approaches to individuals with known skills, the use of School Trustees One Stop Shop and other agencies and by contacts received at the academy from interested parties.

# **PRESDALES SCHOOL ACADEMY TRUST**

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

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

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

New Trustees meet with the Chair of the Board to discuss their role. They are strongly encouraged to attend induction training through Herts for Learning, with whom the academy contracts for school improvement training and services. All new trustees are given a mentor for their first year on the board. The mentor is an existing member of the board who can offer support and guidance where appropriate.

Ongoing training is available for all Trustees and specific in-house training events have been arranged throughout the year. An annual Governor Performance Review was introduced in June 2013 to analyse training and activity undertaken with a view to identifying skill/training gaps which can be filled through appropriate training or mentoring.

#### Organisational structure

The Trustees have responsibility for setting and monitoring the overall strategic direction and objectives of the charitable company. The Trust Board meets six times each year.

The work of the Trust Board is shared amongst two committees:

- Students
- Resources (including the function of the Audit and Risk Committee)

Committees meet five or six times each year to consider detailed matters and recommend decisions to the full board. A nominated Assistant Head/Senior Leader attends all committee meetings to provide information and to aid liaison with the Senior Leadership Team.

In addition, a committee designated the Chairs Group comprising the Chair of Trustees, Vice Chair, Chairs of the two committees and the Headteacher meets at least termly, and as required, to organise business, make recommendations to the Trust Board and to consider strategic matters.

A scheme of financial delegation is in place that allows budgetary responsibility to be delegated through the Headteacher to the lowest level.

Trustees are responsible for setting general policy, approving the School Improvement Plan, approving the annual budget and making major decisions about the direction of the school. Decisions are taken at meetings of the Trust Board following consideration of reports and recommendations from Trustees' committees and the Headteacher.

Responsibility for managing the school on a day-to-day basis is delegated to the Headteacher, who also acts as the Accounting Officer. The Headteacher will implement the policies approved by Trustees and report to Trustees through the various sub-committees and at full Board meetings.

A committee of Trustees with the participation of an external adviser undertakes the annual performance review of the Headteacher and monitors performance and achievements against targets.

Individual Trustees assume responsibility for particular areas such as Health and safety, DPO, Careers, SEND, Pupil Premium and Safeguarding.

Trustees are encouraged to, and do, participate fully in the work of the committees and the Trust Board.

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

The Trust Board gives due consideration to national guidance for the setting of staff salaries and will ensure that all key management personnel receive a salary review as part of the annual performance management process. On completion of this process, any pay awards, if due, will be made in accordance with the school pay policy.

# PRESDALES SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Trade union facility time

#### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	129
Full-time equivalent employee number	-

#### *Percentage of time spent on facility time*

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

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

Total cost of facility time	-
Total pay bill	5,813,609
Percentage of the total pay bill spent on facility time	-

#### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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### Related parties and other connected charities and organisations

None.

### **Objectives and activities**

#### Objects and aims

Presdales School is a six form entry all—ability school which became an academy on 1st April 2012 for girls aged eleven to eighteen, with boys welcome in the sixth form. The school's principal activity is to advance, for the public benefit, education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum. The school will also support the provision of recreational facilities for the local community. The trust was incorporated on 14 March 2012 and converted to an Academy School under the Trust on 1 April 2012.

#### Objectives, strategies and activities

Presdales School aims to provide an outstanding education that enables all students, regardless of their background and starting point, to achieve and surpass their academic potential. We are committed to the development of independent minded young women who have active and creative minds. We expect our students to acquire a sense of understanding and compassion for one another and to have courage to act on their beliefs.

We will equip our students with the skills and attributes to empower them to lead happy and successful lives, enabling them to make a meaningful contribution to our global society.

Our vision is of a school which values pupils of all ages and abilities and helps them to exceed expectations through high quality teaching and learning and access to a wide variety of activities which enrich their education and personal development beyond the classroom.

The school offers a broad and balanced curriculum which exceeds the basic requirements of the National Curriculum by offering increased opportunities to all students.

# **PRESDALES SCHOOL ACADEMY TRUST**

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Our objectives for the school focus on six main strands:

1. To ensure the highest achievement for all students
2. To further improve the quality of Teaching and Learning at Presdales School
3. To further improve the quality of pastoral care in the school
4. To ensure the highest quality of Leadership and Management
5. To develop an outstanding sixth form for all
6. To ensure the highest quality resources and environment

### **Public benefit**

In setting our objectives and planning our activities, the trustees have carefully considered the Charity Commission's general guidance on public benefit. The Trustees are satisfied that the academy has complied with its requirement for the public benefit for the education of girls in the Ware, Hertford and surrounding areas in accordance with its charitable purpose, which can be demonstrated by the continued excellent examination results achieved by students of this academy.

In addition, the school maintains links with a number of local primary schools by providing curricular support in Physical Education and sports and recreational facilities are made available for public use. In 2019 the school was accepted by the DfE as one of 9 Language Hubs in the country and continues to share our wealth of expertise with four other schools in the local area.

The academy follows the coordinated admissions arrangements for single-sex schools previously designed by Hertfordshire County Council.

## **Strategic report**

### **Key performance indicators**

#### **Ofsted Inspections**

The school was rated 'outstanding' at the last four inspections and confirmed as such by letter in 2011.

#### **Admissions/Pupil numbers**

The school's excellent reputation ensures that it remains very popular in the local area and is consistently over-subscribed for admissions into Year 7. There were 471 applications for September 2022, with 180 places offered.

#### **Attendance**

The academy's attendance rate for 2022/23 was 92.9% which is above average for secondary schools.

#### **Financial Performance Indicators**

The academy spent 69% of its total income on staff costs. Of the total salary spend, teachers' salaries account for 59% and support staff account for 41%.

#### **Recruitment and Retention of Staff**

Despite difficulties in the local area the school remains fully staffed and has been able to recruit high quality teaching staff. The turnover of staff is in line with expectations.

#### **Teaching and Learning**

The school follows the National Curriculum at KS3 and KS4. Students have the opportunity to study 2 languages in Year 7, including Russian and Italian. The average Pupil/Teacher ratio is 14 against a benchmark figure of 15 and teaching staff costs account for approximately 85% of the academy's GAG income.

#### **Examination results**

Public examinations resumed in 2022 and the school continues to achieve results well above the national average.

# PRESDALES SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

### Examination results

GCSE	August 2019 (DfE)	August 2020 (FFT)	August 2021 (FFT)	August 2022 (FFT)	August 2023 (FFT)
Attainment 8	60.0	62.3	64.96	61.46	57.7
Progress 8	+0.43	+0.5	n/a	+0.49	+0.59
Achieving 5+ in both English and Maths	72%	76%	79%	73%	68%
Achieving 4+ in both English and Maths	93%	94%	94%	88%	87%
Entered for the EBacc	86%	80%	87%	84%	80%
A level	August 2019 (DfE)	August 2020 (School)	August 2021 (School)	August 2022 (School)	August 2023 (School)
Average points per entry	36.59 (B)	42.32 (B)	44.07 (B)	39.49	39.60

### Destination of Year 13 Leavers

	August 2019	August 2020	August 2021	August 2022	August 2023
Total number of students in year	130	115	115	138	124
Percentage in Higher Education	77%	87%	87%	81%	90%
Percentage in Further Education and Higher Apprenticeships	5%	9%	9%	2%	2%
Percentage in any other category (eg gap year students, Year 14, employment)	18%	4%	4%	17%	8%

### Other Achievements

During the period under review the following objectives have been achieved:

- Improved GCSE and A level results, based on public examination
- Students have participated in wide range of school trips to support their learning outside the classroom
- Improvements made to the school site, including new flat roofs, refurbishment of a number of classrooms and corridors, and fire safety works

### Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.



# PRESDALES SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Financial review**

Most of the Academy's income is obtained from the Education Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the ESFA totalling £6,971k. The Trust also generates income from working with other Local Authorities totalling £65k and through other traded services totalling £1,092k. The Trust was also engaged with capital activities and received donations totalling £273k.

During the year ended 31 August 2023, total grant funding and other sources of funding totalling £8,407k (2022: £7,178k) exceeded total exp of £8,249k resulting in a surplus before actuarial gains of £157k. In the prior year, the school undertook a large scale IT infrastructure replacement, to include a new server, switches, internet points and new laptops for staff and this is an ongoing project. Expenditure has been used to support the key objectives of the academy, focussing on Teaching and Learning. The academy continues to recruit excellent teaching staff and appropriate levels of staffing have been maintained. The running costs of the school including salaries, utility bills and purchasing curriculum and food items has risen considerably since last year causing further strain on the school's budget. With times slowly returning to normal, school trips are increasng.

### Reserves policy

Under its Funding Agreement with the Secretary of State for Education, the school is no longer subject to a restriction regarding the amount of General Annual Grant (GAG) that can be carried forward.

The reserves policy divides reserves into restricted and unrestricted reserves. Restricted reserves are held for specific purposes, and unrestricted reserves are held to deal with unexpected events and emergencies. The approximate amount of unrestricted reserves should be enough to cover at least one month's running costs of the Academy. Future plans include the possibility of introducing another classroom block to increase the size of the school as well as a 3G football pitch and a cover for the swimming pool so that it can be used year round.

The Trustees have operated on the basis that, whilst efforts will be made to allocate funds to be spent on the education of those students who have generated the income, it is prudent to set a reasonable contingency to allow for unforeseen and emergency expenditure and to plan for future projects. The contingency sum for 2022/23 was £300k.

At 31 August 2023 the value of unrestricted general reserves was £714k. The unrestricted reserves also includes funds set aside for the replacement of desktop computers for staff in school. The excess Unrestricted Reserves are earmarked to cover future uncertainties around school funding and to fund capital investment in the school's ageing buildings.

### Investment policy

The Trust Board has investigated the transfer of surplus funds to a higher interest account whilst ensuring that sufficient funds are readily available for the academy's monthly expenditure. It was concluded that as interest rates were generally very low and a small amount of interest was already generated on the school's current accounts, at this stage, this would not be beneficial to the school. Sums of £200,000 each have been transferred to a 32-day notice account and a fixed term deposit account to protect against any fraudulent activity on the bank account.

# **PRESDALES SCHOOL ACADEMY TRUST**

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

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

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### Principal risks and uncertainties

The Trust Board is responsible for overseeing the risks faced by the school. A Risk Management Policy and Risk Register are maintained by the Audit and Risk Committee and reviewed annually. The academy has identified and assessed other major risks to which the school is exposed and ensured that policies and procedures are in place to mitigate such risks. These include strategic and reputational risks, compliancy risks, operational and financial risks including the following:

- a reduction in and uncertainty over ESFA funding due to a change in the funding formula or a reduction in student numbers.
- reduced numbers of students in the sixth form
- insufficient funds in a flat cash budget allocation to honour staff pay rises and increased NI employer's contributions as well as energy costs
- extensive staff absence
- difficulty in recruiting appropriate staff
- damage to buildings or failure of plant and equipment
- LGPS pension deficit (currently calculated at £602k)

Trustees are satisfied that the major risks identified have been adequately mitigated where necessary, although it is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

### **Fundraising**

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

### **Plans for future periods**

For the coming financial year, the academy plans to focus on the following key objectives as highlighted in the School Improvement Plan:

### **Quality of education**

- Reducing in-school variation in results at both KS4 and KS5
- Improving outcomes for disadvantaged students and SEND students
- Supporting students to 'catch-up' in English and maths
- Providing assessment systems that enable effective feedback that supports all students to make progress
- Stretching and challenging the most able
- Providing students with opportunities outside of the standard curriculum

### **Behaviour and attitudes**

- Setting high levels of expectations for the behaviour of students in and out of the classroom
- Ensuring our systems for high levels of attendance and punctuality are effective
- Providing an environment where students feel safe and cared for, and where bullying and discrimination are not accepted

### **Personal development**

- Celebrating the successes of students
- Providing a wider curriculum that encompasses SMSC, FBV, Healthy and Safe living, SRE education
- Promoting an inclusive environment that meets the needs of all students
- Ensuring that all students are given appropriate support when transitioning to the next stage of their education

# PRESDALES SCHOOL ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Leadership and management

- Keeping student's safe
- Ensuring that the school's vision and values are at the heart of all we do
- Regularly seeking the views of all stakeholders and act where appropriate to do so
- Ensuring that staff are well-trained in the subjects that they are teaching
- Ensuring that the monitoring of all departments' work is rigorous and leads to higher standards
- Governed effectively
- Working with other schools and organisations to support our continual school improvement

### Sixth form provision

- Always aiming for the highest standards in KS5
- Supporting students effectively with their next steps
- Giving students opportunities to demonstrate and develop leadership skills
- Providing an effective programme of study

### Resources and environment

- Keeping within our budget
- Seeking to improve the infrastructure of the school to ensure that we are providing the best environment for your students to learn in
- Generating our own income from charities and grants
- Continually improving the ICT network and updating ICT classroom on a rolling programme

The following areas are all in the School Improvement Plan, but also have a separate, more detailed action plan. Each subject department will also produce an improvement plan.

### SEND

#### Careers

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

None

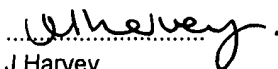
### Auditor

In so far as the trustees are aware:

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

A resolution proposing that Azets be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18/12/2023 and signed on its behalf by:

  
J Harvey

Chair of Trustees

# PRESDALES SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Presdales School Academy Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

### Governance

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

Trustees	Meetings attended	Out of possible
N Burrige	6	6
S Cove (Appointed 30 September 2022)	5	6
N Denison	5	6
E Flawn	4	6
H Freed	4	6
J Harvey (Chair of Trustees)	6	6
A Hobson	5	6
M Robinson	5	6
J Salter (Resigned 27 April 2023)	2	2
M Waller	4	6
H Fellows (Appointed 30 September 2022)	6	6
E Cannon (Appointed 31 October 2023)	0	0

Following the approval of revised Articles of Association, the board has reduced in size and there is a clear distinction between members and trustees.

The Board of Trustees are required to complete a declaration of business and pecuniary interests at the beginning of each academic year. Trustees are also required to state if there are any conflicts of interest with regards to any of the agenda items or if there has been any changes to business and pecuniary interests since the annual declaration at each committee meeting. This register is held centrally and referred to by staff during the procurement of new contracts or suppliers.

### Governance reviews

The Resources Committee is a sub-committee of the main board of trustees. Its purpose is to closely review the Trust's financial position, financial policies and procedures, to provide strategic financial direction and to ensure that the academy's premises and health and safety obligations are fulfilled.

# PRESDALES SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
N Burridge	5	6
S Cove (Appointed 30 September 2022)	5	6
N Denison	5	6
E Flawn	4	6
A Hobson	5	6
M Robinson	5	6

The Resources Committee also acts as the Audit Committee. The audits committee's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems, including the review of internal audit reports, ensuring efficient and robust systems of control are in place and the appropriate discharge of the Trust Boards' financial responsibilities.

The school contracts with Hertfordshire County Council Shared Internal Audit Systems to carry out termly audits, and produce formal reports on the school's internal financial controls for consideration by the Audit Committee.

### Review of value for money

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

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

### Raising Student Attainment

The school was rated 'outstanding' at the last four Ofsted inspections and confirmed as such by letter in 2011. The school continues to achieve results well above the national average and this is demonstrated by the excellent examination results: Full details are available on the Academy website <http://www.presdales.herts.sch.uk>.

- **Targeted Improvement**

The Headteacher carries out an annual review of teaching staff to ensure best value in terms of quality of teaching and learning, pupil-teacher ratio, and curriculum management.

- **Focus on Individual Students**

The academy focuses on the wide range of needs of our students, arranging one-to-one tuition where applicable and providing mentoring and counselling when appropriate. Pupil Premium funding has primarily been used for interventions to close gaps in core subjects. The academy has focused on initiatives identified by the Education Endowment Foundation as having the best educational gain for financial outlay. The impact of interventions in Presdales' context is evaluated and strategies are extended, modified or changes altogether in light of student outcomes.

- **Collaboration**

The Trust Board has a strong oversight of the financial management of the budget and is mindful of the need to balance expenditure against income to ensure the academy remains a 'going concern'. The Board approves the annual school budget and the Annual Accounts and responds to issues raised in the External Audit Management Reports on the financial statements and on regularity.

# **PRESDALES SCHOOL ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Financial Governance and Oversight**

The Trust Board has a strong oversight of the financial management of the budget and is mindful of the need to balance expenditure against income to ensure the academy remains a 'going concern'. The Board approves the annual school budget and the Annual Accounts and responds to issues raised in the External Audit Management Reports on the financial statements and on regularity.

The Resources Committee considers the annual budget before recommending it for approval by the Trust Board, alongside the School Improvement Plan. The Committee receives termly budget monitoring information and reviews performance in line with budget,

The academy has engaged an internal audit service from Hertfordshire County Council to review key financial policies, systems and procedures. Reports on compliance are considered by the Responsible Officer and Audit and Risk Committee.

### **Effective Purchasing**

The academy has procedures and controls for assessing need and procuring goods and services which provide "best value" in terms of suitability, efficiency, time, and cost.

### **Improved Income Generation**

The academy's excellent reputation ensures that it remains popular in the local area and is consistently oversubscribed for admissions into Year 7. The academy attracts good numbers of students into the sixth form and is continuing its drive to recruit across a wide local area in order to ensure the viability of the varied curriculum and increase income.

School facilities are made available for hire by the local community and organisations which generates additional income for the school in terms of lettings.

### **Reviewing Controls and Managing Risks**

- The Academy has prepared a Risk Register and Risk Management Policy to identify potential financial and business risks and put measures in place to minimise the implications of these risks.
- The Finance Committee regularly reviews the Medium Term Financial Plan to ensure that any future financial risks are identified as soon as possible.
- Monthly budget monitoring reports are produced and reviewed by the Headteacher, Chair of the Board and School business Manager and any necessary remedial actions taken to address significant variances that may have an impact on the budget out-turn.

### **Monitoring**

The academy will continue to use the following strategies to be able to maintain and improve student attainment and to achieve best value:

- In-house monitoring by the Senior Leadership Team, Heads of Department and Heads of Year, including classroom observation, work scrutiny
- Annual programme of Performance Appraisal for all staff
- Annual Budget Planning including medium term 3 to 5 year plan
- Review of progress in achieving School Improvement Plan objectives
- Termly internal audit reviews
- Analysis of bench mark data for all schools
- Analysis of DE student performance data
- Trustees' meetings (full and committee).
- Annual achievement meetings with subject leaders

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy 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 Presdales School Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

# PRESDALES SCHOOL ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Capacity to handle risk

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

### The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The Trust Board has considered the need for a specific internal audit function and has decided to contract with Hertfordshire County Council Shared Audit Services to carry out a range of internal checks of the academy trust's financial systems including:

- Effectiveness of Governance
- Budget preparation and controls
- Financial controls
- Purchasing and payment systems and contracting
- Payroll systems
- Income controls

The results of these each inspection are reported immediately to the Responsible Officer, Headteacher and Chair of Resources and followed up with an end of year report which concluded with substantial assurance of financial controls and no major recommendations to implement

### Review of effectiveness

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

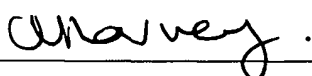
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The accounting officer is aware of the necessity for efficient systems of internal controls and plans to address weaknesses and ensure continuous improvement of the systems are in place.

Approved by order of the board of trustees on 18/12/2023 and signed on its behalf by:

J Harvey  
Chair of Trustees

M Warren  
Accounting Officer



# **PRESDALES SCHOOL ACADEMY TRUST**

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

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As accounting officer of Presdales School Academy Trust, I have considered my responsibility to notify the academy board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, including for estates safety and management, under the funding agreement in place between the academy 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 academy's board of trustees are able to identify any material irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academy Trust Handbook 2022.

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

M Warren  
Accounting Officer





# **PRESDALES SCHOOL ACADEMY TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

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

In preparing these accounts, the trustees are required to:

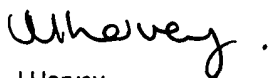
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 12/12/2023 and signed on its behalf by:



J Harvey  
Chair of Trustees

# **PRESDALES SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESDALES SCHOOL ACADEMY TRUST**

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

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### **Opinion**

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

In our opinion the accounts:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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

### **Other information**

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

We have nothing to report in this regard.

# **PRESDALES SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESDALES SCHOOL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

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

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

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

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

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

### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

# **PRESDALES SCHOOL ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESDALES SCHOOL ACADEMY TRUST (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

### **Use of our report**

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



**Tracey Richardson BSc (Hons) FCA (Senior Statutory Auditor)**  
for and on behalf of Azets

19/12/2023  
.....

**Chartered Accountants**  
**Statutory Auditor**

Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
United Kingdom  
PE1 2SP

# **PRESDALES SCHOOL ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRESDALES SCHOOL ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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

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In accordance with the terms of our engagement letter dated 16 August 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Presdales School Academy Trust during the period 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 Presdales School Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Presdales School Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Presdales School Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Presdales School Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Presdales School Academy Trust's funding agreement with the Secretary of State for Education dated 15 March 2012 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 period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- a review of the activities of the academy, by reference to sources of income and other information available to us;
- sample testing of expenditure, including payroll;
- a review of minutes of Governors' meetings.

# **PRESDALES SCHOOL ACADEMY TRUST**

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

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

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### **Conclusion**

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



### **Reporting Accountant**

Azets  
Ruthlyn House  
90 Lincoln Road  
Peterborough  
Cambridgeshire  
PE1 2SP  
United Kingdom

Dated: 19/12/2023

# PRESDALES SCHOOL ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	4	9,182	-	263,638	272,820
Charitable activities:					
- Funding for educational operations	3	755,440	7,082,486	-	7,837,926
Other trading activities	5	290,645	-	-	290,645
Investments	6	5,144	-	-	5,144
<b>Total</b>		<b>1,060,411</b>	<b>7,082,486</b>	<b>263,638</b>	<b>8,406,535</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	802,264	6,994,524	452,562	8,249,350
<b>Total</b>	7	<b>802,264</b>	<b>6,994,524</b>	<b>452,562</b>	<b>8,249,350</b>
<b>Net income/(expenditure)</b>		<b>258,147</b>	<b>87,962</b>	<b>(188,924)</b>	<b>157,185</b>
Transfers between funds	18	-	(182,962)	182,962	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	327,000	-	327,000
<b>Net movement in funds</b>		<b>258,147</b>	<b>232,000</b>	<b>(5,962)</b>	<b>484,185</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		455,802	(834,000)	13,483,948	13,105,750
Total funds carried forward		713,949	(602,000)	13,477,986	13,589,935

# PRESDALES SCHOOL ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£	£	£	£
<b>Income and endowments from:</b>					
Donations and capital grants	4	59	-	95,087	95,146
Charitable activities:					
- Funding for educational operations	3	260,476	6,511,578	-	6,772,054
Other trading activities	5	311,017	-	-	311,017
Investments	6	227	-	-	227
<b>Total</b>		<b>571,779</b>	<b>6,511,578</b>	<b>95,087</b>	<b>7,178,444</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	8	321,018	6,791,323	388,460	7,500,801
<b>Total</b>	7	<b>321,018</b>	<b>6,791,323</b>	<b>388,460</b>	<b>7,500,801</b>
<b>Net income/(expenditure)</b>		<b>250,761</b>	<b>(279,745)</b>	<b>(293,373)</b>	<b>(322,357)</b>
Transfers between funds	18	-	(183,933)	183,933	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	19	-	2,121,000	-	2,121,000
<b>Net movement in funds</b>		<b>250,761</b>	<b>1,657,322</b>	<b>(109,440)</b>	<b>1,798,643</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		205,041	(2,491,322)	13,593,388	11,307,107
Total funds carried forward		455,802	(834,000)	13,483,948	13,105,750



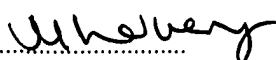
# PRESDALES SCHOOL ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Fixed assets</b>					
Tangible assets	12		13,472,340		13,413,820
<b>Current assets</b>					
Stock	13	53,876		54,293	
Debtors	14	128,927		193,584	
Cash at bank and in hand		1,244,907		966,320	
		1,427,710		1,214,197	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(708,115)		(684,539)	
<b>Net current assets</b>			719,595		529,658
<b>Total assets less current liabilities</b>			14,191,935		13,943,478
Creditors: amounts falling due after more than one year	16		-		(3,728)
<b>Net assets excluding pension liability</b>			14,191,935		13,939,750
Defined benefit pension scheme liability	19		(602,000)		(834,000)
<b>Total net assets</b>			13,589,935		13,105,750
<b>Funds of the academy:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			13,477,986		13,483,948
- Pension reserve			(602,000)		(834,000)
<b>Total restricted funds</b>			12,875,986		12,649,948
<b>Unrestricted income funds</b>	18		713,949		455,802
<b>Total funds</b>			13,589,935		13,105,750

The accounts on pages 21 to 43 were approved by the trustees and authorised for issue on 18/12/2023 and are signed on their behalf by:

  
J Harvey  
Chair of Trustees

Company registration number 07990029 (England and Wales)

# PRESDALES SCHOOL ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	21		534,704		288,409
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		5,144		227	
Capital grants from DfE Group		72,426		24,959	
Capital funding received from sponsors and others		191,212		70,128	
Purchase of tangible fixed assets		(518,231)		(246,612)	
Proceeds from sale of tangible fixed assets		7,149		-	
<b>Net cash used in investing activities</b>			(242,300)		(151,298)
<b>Cash flows from financing activities</b>					
Repayment of other loan		(13,817)		(23,726)	
<b>Net cash used in financing activities</b>			(13,817)		(23,726)
<b>Net increase in cash and cash equivalents in the reporting period</b>			278,587		113,385
Cash and cash equivalents at beginning of the year			966,320		852,935
<b>Cash and cash equivalents at end of the year</b>			1,244,907		966,320

# PRESDALES SCHOOL ACADEMY TRUST

## 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

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

#### 1.2 Going concern

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

#### 1.3 Income

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

##### Grants

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

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

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

##### Sponsorship income

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

##### Donations

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

##### Other income

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

# PRESDALES SCHOOL ACADEMY TRUST

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

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### 1 Accounting policies

(Continued)

#### Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

#### Donated fixed assets

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

### 1.4 Expenditure

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

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

### 1.5 Tangible fixed assets and depreciation

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

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

Land and buildings	2% on property, 125 years on land
Computer equipment	20% - 33.33%
Fixtures, fittings & equipment	10% - 20%

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

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

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

##### Financial liabilities

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

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

#### 1.9 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

#### 1.10 Taxation

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

#### 1.11 Pensions benefits

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy.

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

#### 1.12 Fund accounting

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

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

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

#### 1.13 Agency arrangements

The Academy Trust acts as the agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 27.

### 2 Critical accounting estimates and areas of judgement

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

#### Critical accounting estimates and assumptions

The academy 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.

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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

(Continued)

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 19, will impact on 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.

#### Critical areas of judgement

There are no critical areas of judgement.

#### 3 Funding for the academy's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	6,462,027	6,462,027	6,133,740
Other DfE/ESFA grants:				
- Pupil premium	-	136,860	136,860	97,093
- Supplementary grant	-	234,015	234,015	-
- Teachers pension grants	-	53,285	53,285	54,625
- Teachers pay grants	-	32	32	19,331
- Others	-	85,121	85,121	87,959
	-	6,971,340	6,971,340	6,392,748
<b>Other government grants</b>				
Local authority grants	-	52,029	52,029	28,556
Special educational projects	-	13,222	13,222	44,382
	-	65,251	65,251	72,938
<b>COVID-19 additional funding</b>				
<b>DfE/ESFA</b>				
Other DfE/ESFA COVID-19 funding	-	-	-	20,099
<b>Other incoming resources</b>	755,440	45,895	801,335	286,269
<b>Total funding</b>	755,440	7,082,486	7,837,926	6,772,054

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	263,638	263,638	24,959
Other donations	9,182	-	9,182	70,187
	<u>9,182</u>	<u>263,638</u>	<u>272,820</u>	<u>95,146</u>

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	92,892	-	92,892	61,808
Other income	197,753	-	197,753	249,209
	<u>290,645</u>	<u>-</u>	<u>290,645</u>	<u>311,017</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other investment income	5,144	-	5,144	227
	<u>5,144</u>	<u>-</u>	<u>5,144</u>	<u>227</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2023 £	Total 2022 £
Academy's educational operations					
- Direct costs	5,013,687	-	1,008,532	6,022,219	5,292,004
- Allocated support costs	883,119	889,858	454,154	2,227,131	2,208,797
	<u>5,896,806</u>	<u>889,858</u>	<u>1,462,686</u>	<u>8,249,350</u>	<u>7,500,801</u>

### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	459,711	388,460
Gain on disposal of fixed assets	(7,149)	-
Fees payable to auditor for:		
- Audit	13,000	11,750
- Other services	3,600	3,350
Net interest on defined benefit pension liability	37,000	46,000
	<u>459,711</u>	<u>388,460</u>



# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>Direct costs</b>				
Educational operations	802,264	5,219,955	6,022,219	5,292,004
<b>Support costs</b>				
Educational operations	-	2,227,131	2,227,131	2,208,797
	<u>802,264</u>	<u>7,447,086</u>	<u>8,249,350</u>	<u>7,500,801</u>

Analysis of costs	2023 £	2022 £
<b>Direct costs</b>		
Teaching and educational support staff costs	5,013,687	4,774,363
Staff development	17,526	19,655
Educational supplies and services	223,113	179,165
Examination fees	127,377	104,726
Other direct costs	640,516	214,095
	<u>6,022,219</u>	<u>5,292,004</u>
<b>Support costs</b>		
Support staff costs	888,419	1,106,833
Depreciation	452,562	388,460
Technology costs	134,736	138,742
Maintenance of premises and equipment	308,083	179,370
Energy costs	109,178	73,145
Rent, rates and other occupancy costs	20,035	20,275
Security and transport	5,326	5,207
Catering	163,560	127,713
Finance costs	37,000	46,000
Other support costs	90,882	107,739
Governance costs	17,350	15,313
	<u>2,227,131</u>	<u>2,208,797</u>

### 9 Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2022: £nil).

During the year, no trustees expenses have been incurred (2022: £nil).

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	4,352,744	4,164,199
Social security costs	411,469	402,821
Pension costs	1,049,396	1,222,666
Staff costs - employees	5,813,609	5,789,686
Agency staff costs	83,197	91,510
Staff development and other staff costs	5,896,806 22,826	5,881,196 19,655
Total staff expenditure	5,919,632	5,900,851

#### Non-statutory/ non-contractual staff severance payments

Included in the comparative wages and salaries value is one non-statutory/ non-contractual severance payment totalling £10,324. There are no payments similar in nature in the current year.

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	84	83
Administration and support	69	97
Management	9	9
	162	189

#### Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	5	4
£70,001 - £80,000	-	2
£80,001 - £90,000	2	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

(Continued)

#### Key management personnel

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy was £986,451 (2022: £865,831).

### 11 Trustees' and officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

### 12 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	15,307,723	727,630	913,602	16,948,955
Additions	5,550	165,404	347,277	518,231
Disposals	-	(41,675)	-	(41,675)
At 31 August 2023	15,313,273	851,359	1,260,879	17,425,511
<b>Depreciation</b>				
At 1 September 2022	2,480,585	483,271	571,279	3,535,135
On disposals	-	(41,675)	-	(41,675)
Charge for the year	265,616	74,232	119,863	459,711
At 31 August 2023	2,746,201	515,828	691,142	3,953,171
<b>Net book value</b>				
At 31 August 2023	12,567,072	335,531	569,737	13,472,340
At 31 August 2022	12,827,138	244,359	342,323	13,413,820

### 13 Stock

	2023 £	2022 £
Stock	53,876	54,293

# PRESDALES SCHOOL ACADEMY TRUST

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

### 14 Debtors

	2023 £	2022 £
Trade debtors	2,713	2,371
VAT recoverable	31,208	21,400
Prepayments and accrued income	95,006	169,813
	<u>128,927</u>	<u>193,584</u>

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

	2023 £	2022 £
Other loans	3,678	13,767
Trade creditors	174,958	89,037
Other taxation and social security	107,150	100,121
Other creditors	114,694	124,104
Accruals and deferred income	307,635	357,510
	<u>708,115</u>	<u>684,539</u>

### 16 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other loans	-	3,728
	<u>-</u>	<u>3,728</u>
<b>Analysis of loans</b>	<b>2023 £</b>	<b>2022 £</b>
Wholly repayable within five years	3,678	17,495
Less: included in current liabilities	(3,678)	(13,767)
	<u>-</u>	<u>-</u>
Amounts included above	-	3,728
	<u>-</u>	<u>3,728</u>
<b>Loan maturity</b>		
Debt due in one year or less	-	13,767
Due in more than one year but not more than two years	-	3,728
	<u>-</u>	<u>17,495</u>

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	141,799	288,627
Deferred income at 1 September 2022	288,627	268,275
Released from previous years	(288,627)	(268,275)
Resources deferred in the year	141,799	288,627
Deferred income at 31 August 2023	141,799	288,627

At the balance sheet date, the Academy was holding funds received in advance for school trips which are to take place in 23/24.

### 18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	6,462,027	(6,279,065)	(182,962)	-
Pupil premium	-	136,860	(136,860)	-	-
Other DfE/ESFA grants	-	85,121	(85,121)	-	-
Other government grants	-	65,251	(65,251)	-	-
Supplementary grant	-	234,015	(234,015)	-	-
Teachers pension grants	-	53,285	(53,285)	-	-
Teachers pay grants	-	32	(32)	-	-
Other restricted funds	-	45,895	(45,895)	-	-
Pension reserve	(834,000)	-	(95,000)	327,000	(602,000)
	(834,000)	7,082,486	(6,994,524)	144,038	(602,000)
<b>Restricted fixed asset funds</b>					
DfE group capital grants	13,413,820	72,426	(452,562)	438,656	13,472,340
Other capital grants and donations	70,128	-	-	(70,128)	-
CIF	-	191,212	-	(185,566)	5,646
	13,483,948	263,638	(452,562)	182,962	13,477,986
<b>Total restricted funds</b>	12,649,948	7,346,124	(7,447,086)	327,000	12,875,986
<b>Unrestricted funds</b>					
General funds	455,802	1,060,411	(802,264)	-	713,949
<b>Total funds</b>	13,105,750	8,406,535	(8,249,350)	327,000	13,589,935

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 18 Funds

(Continued)

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

General Annual Grant

Income received from the ESFA to cover the normal running costs of the School. Under the amended funding agreement with the Secretary of State, the School trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Pupil Premium

Income received from the ESFA to improve education outcomes for disadvantaged pupils in schools in England.

Teachers Pension Grants

Income received from the ESFA to support schools with the cost of the increase in employer contributions to the teachers' pension scheme.

Teachers Pay Grants

Income received from the ESFA to provide funding for schools to support teachers' pay awards.

Other DFE/ESFA grants

This includes the rates reclaim, schools supplementary grant, and the education services grant

Other government grants

This includes the local authority SEN grant and other local authority grants

Other restricted income

This includes trip income.

Pension Reserve

This fund represents the Academy's share of the deficit of the Local Government Pension Scheme (LGPS) transferred to the Academy on conversion from being a state controlled school.

General Restricted Fixed Asset Fund

General restricted fixed asset funds are resources which are to be applied to specific capital purposes. Income received from both the Department for Education and the Education and Skills Funding Agency for capital projects undertaken by the Academy are shown as income in this fund. Where income is spent on projects that are repair in nature, costs of such repairs are transferred out to restricted general funds.

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 18 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	142,678	6,133,740	(6,092,485)	(183,933)	-
Pupil premium	-	97,093	(97,093)	-	-
Other DfE/ESFA COVID-19 funding	-	20,099	(20,099)	-	-
Other DfE/ESFA grants	-	87,959	(87,959)	-	-
Other government grants	-	72,938	(72,938)	-	-
Supplementary grant	-	54,625	(54,625)	-	-
Teachers pension grants	-	19,331	(19,331)	-	-
Other restricted funds	-	25,793	(25,793)	-	-
Pension reserve	(2,634,000)	-	(321,000)	2,121,000	(834,000)
	<u>(2,491,322)</u>	<u>6,511,578</u>	<u>(6,791,323)</u>	<u>1,937,067</u>	<u>(834,000)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	13,593,388	24,959	(388,460)	183,933	13,413,820
Other capital grants and donations	-	70,128	-	-	70,128
	<u>13,593,388</u>	<u>95,087</u>	<u>(388,460)</u>	<u>183,933</u>	<u>13,483,948</u>
<b>Total restricted funds</b>	<u>11,102,066</u>	<u>6,606,665</u>	<u>(7,179,783)</u>	<u>2,121,000</u>	<u>12,649,948</u>
<b>Unrestricted funds</b>					
General funds	<u>205,041</u>	<u>571,779</u>	<u>(321,018)</u>	<u>-</u>	<u>455,802</u>
<b>Total funds</b>	<u>11,307,107</u>	<u>7,178,444</u>	<u>(7,500,801)</u>	<u>2,121,000</u>	<u>13,105,750</u>

#### 19 Pension and similar obligations

The academy'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 nonteaching staff, which is managed by Hertfordshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £112,699 were payable to the schemes at 31 August 2023 (2022: £109,561) and are included within creditors.

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 19 Pension and similar obligations

(Continued)

##### Teachers' Pension Scheme

###### Introduction

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

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

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

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

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £795,069 (2022: £756,063).

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

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

##### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.3% for employers and 5.5 to 12.5% for employees.

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



# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 19 Pension and similar obligations

(Continued)

Total contributions made	2023 £	2022 £
Employer's contributions	196,000	195,000
Employees' contributions	53,000	51,000
Total contributions	249,000	246,000
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment/inflation	3.0	3.2
Discount rate for scheme liabilities	5.2	4.3

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

	2023 Years	2022 Years
Retiring today		
- Males	20.9	21.9
- Females	25.1	24.4
Retiring in 20 years		
- Males	21.1	22.9
- Females	25.7	26.0

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

	2023	2022
Discount rate - 0.1%	79,000	81,000
Mortality assumption + 1 year	172,000	175,000
Salary Increase Rate + 0.1%	5,000	2,000
Pension Increase Rate + 0.1%	76,000	80,000

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Pension and similar obligations

(Continued)

#### The academy's share of the assets in the scheme

	2023 Fair value £	2022 Fair value £
Equities	1,885,000	1,771,000
Bonds	887,000	814,000
Cash	407,000	425,000
Property	518,000	531,000
Total market value of assets	3,697,000	3,541,000

The actual return on scheme assets was £23,000 (2022: £(236,000)).

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

	2023 £	2022 £
Current service cost	254,000	470,000
Interest income	(153,000)	(61,000)
Interest cost	190,000	107,000
Total operating charge	291,000	516,000

#### Changes in the present value of defined benefit obligations

	2023 £	2022 £
At 1 September 2022	4,375,000	6,265,000
Current service cost	254,000	470,000
Interest cost	190,000	107,000
Employee contributions	53,000	51,000
Actuarial gain	(457,000)	(2,418,000)
Benefits paid	(116,000)	(100,000)
At 31 August 2023	4,299,000	4,375,000

#### Changes in the fair value of the academy's share of scheme assets

	2023 £	2022 £
At 1 September 2022	3,541,000	3,631,000
Interest income	153,000	61,000
Actuarial loss	(130,000)	(297,000)
Employer contributions	196,000	195,000
Employee contributions	53,000	51,000
Benefits paid	(116,000)	(100,000)
At 31 August 2023	3,697,000	3,541,000

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	13,472,340	13,472,340
Current assets	713,949	708,115	5,646	1,427,710
Current liabilities	-	(708,115)	-	(708,115)
Pension scheme liability	-	(602,000)	-	(602,000)
<b>Total net assets</b>	<b>713,949</b>	<b>(602,000)</b>	<b>13,477,986</b>	<b>13,589,935</b>
	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	13,413,820	13,413,820
Current assets	455,802	688,267	70,128	1,214,197
Current liabilities	-	(684,539)	-	(684,539)
Non-current liabilities	-	(3,728)	-	(3,728)
Pension scheme liability	-	(834,000)	-	(834,000)
<b>Total net assets</b>	<b>455,802</b>	<b>(834,000)</b>	<b>13,483,948</b>	<b>13,105,750</b>

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

	Notes	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		157,185	(322,357)
Adjusted for:			
Capital grants from DfE and other capital income		(263,638)	(95,087)
Investment income receivable	6	(5,144)	(227)
Defined benefit pension costs less contributions payable	19	58,000	275,000
Defined benefit pension scheme finance cost	19	37,000	46,000
Depreciation of tangible fixed assets		459,711	388,460
Profit on disposal of fixed assets		(7,149)	-
Decrease in stocks		417	3,966
Decrease/(increase) in debtors		64,657	(17,619)
Increase in creditors		33,665	10,273
<b>Net cash provided by operating activities</b>		<b>534,704</b>	<b>288,409</b>

# PRESDALES SCHOOL ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	966,320	278,587	1,244,907
Loans falling due within one year	(13,767)	10,089	(3,678)
Loans falling due after more than one year	(3,728)	3,728	-
	<u>948,825</u>	<u>292,404</u>	<u>1,241,229</u>

### 23 Long-term commitments

#### Operating leases

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

	2023 £	2022 £
Amounts due within one year	11,686	15,600
Amounts due in two and five years	4,245	16,164
	<u>15,931</u>	<u>31,764</u>

### 24 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	47,804	299,144

### 25 Related party transactions

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

### 26 Members' liability

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

# **PRESDALES SCHOOL ACADEMY TRUST**

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

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

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### **27 Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the trust received £10,088 (2022: £8,720) and disbursed £9,202 (2022: £5,695) from the fund. An amount of £3,911 (2022: £3,025) is included in other creditors relating to undistributed funds that are repayable to the ESFA.