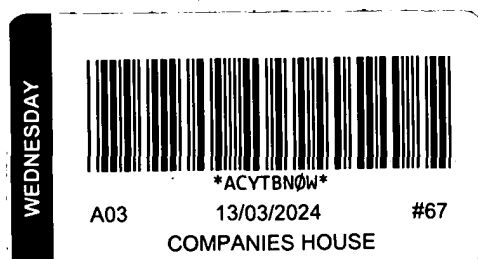


REGISTERED COMPANY NUMBER: 08061092 (England and Wales)



Report of the Trustees and
Financial Statements
for the Year Ended 31 August 2023
for
Palladian Academy Trust



Sumer Audit
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

Palladian Academy Trust

**Contents of the Financial Statements
for the Year Ended 31 August 2023**

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Palladian Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2023

MEMBERS:

R A Balch
S McDonald (BDE)
F Stewart (SDBE)
A Arlidge
R Franks

TRUSTEES

R L Balch (Chair)
A M Allcock (resigned 09.02.2023)
T R Battersby
R Bullard
J R Hunter (resigned 25.04.2023)
L Jefferies (resigned 10.11.22)
C D Mason
D R Newman
M J Robbins
D A Tandy (CEO and accounting officer)
S A Wilton-Rhead
M West (appointed 15.06.2023)
I Garcia Sacedon (appointed 28.02.2023)
R Raimato (appointed 17.04.2023)

COMPANY SECRETARY

J Marsh

SENIOR MANAGEMENT TEAM:

D A Tandy (CEO)
J Marsh (COO)
L Pollard (Director of Education)
J Gascoigne (Headteacher Combe Down Primary school /Trust
Safeguarding Lead from 1.11.22)
T Dunn (Executive Headteacher Fitzmaurice Primary School and
Westwood with Iford Primary School)
D Goucher (Executive Headteacher Oldfield Park Junior School and
Oldfield Park Infant School)
A Greenhough (Headteacher Ralph Allen School until 31.8.23)
C Parfitt (Headteacher St Martin's Garden Primary until 31.8.23)
A Joy (Headteacher St Philip's Primary School)
A Watts (Headteacher Widcombe Infant School)
R Wilson Executive (Headteacher Winsley Primary School and
Widcombe Junior School)

REGISTERED OFFICE

The Bridge
150 Frome Road
Bath
BA2 5RE

REGISTERED COMPANY NUMBER

08061092 (England and Wales)

Palladian Academy Trust

Reference and Administrative Details
for the Year Ended 31 August 2023

INDEPENDENT AUDITORS

Sumer Audit
Statutory Auditor
Chartered Accountants
Fortescue House
Court Street
Trowbridge
Wiltshire
BA14 8FA

BANKERS

Lloyds Bank Plc
Milsom Street
Bath
PO Box 1000
BX1 1LT

SOLICITORS

Stone King LLP
Upper Borough Court (UBC)
Upper Borough Walls
Bath
BA1 1RG

Palladian Academy Trust (Registered number: 08061092)

Report of the Trustees
for the Year Ended 31 August 2023

The Trustees present their annual report together with the audited financial statements of the charitable company (Academy Trust) for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law and includes the additional content required of larger charities.

The Academy Trust currently operates 11 academies across the primary and secondary phases in Bath and Wiltshire. The Trust has a combined pupil capacity of 5000 and had a pupil roll of 3575 in the autumn school census 2022.

OBJECTIVES AND ACTIVITIES

Objectives, Strategies and Activities

The Trust's purposes as set out in its articles of association and funding agreement are:

(a) 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 Academies which shall offer a broad and balanced curriculum and which shall include;

(i) Academies other than those designated Church of England, whether with or without a designated religious character; and
(ii) Church of England Academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Boards of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

(b) to promote for the benefit of the inhabitants of Bath and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants

The over-arching vision of the Trust is: Excellent and equitable opportunities so everyone can flourish. The commitment is to be a Trust in the future – a Trust that can be trusted to deliver for its pupils colleagues and communities while being forward thinking. The vision and commitment is underpinned by four values of Respect, Trust, Courage and Curiosity and is delivered through the 5 Palladian Pillars (shared strategic priorities. These are:

Pillar 1 - Identify and address vulnerabilities to enable schools to be the best at getting better

Pillar 2 – Develop and support everybody's expertise

Pillar 3 – All learners to be their 'best selves'

Pillar 4 - A courageous curriculum delivered through quality pedagogy

Pillar 5 - Ensuring the best use of resources to deliver our social, civic and ethical responsibilities

These strategic priorities underpin all our development and improvement activities in the Trust Development Plan and School Development Plans so we can work collectively to fulfil our vision.

Report of the Trustees
for the Year Ended 31 August 2023

Public Benefit

In setting our objective and planning our activities the trustees have carefully considered the Charity Commission's guidance on public benefit.

STRATEGIC REPORT

Achievement and performance

Palladian Academy Trust is committed to our vision of excellent and equitable opportunities for everyone can flourish. The impact of all activity in schools and centrally brings us back to this core purpose.

All schools receive a core offer as part of the wider Palladian Family with partnership working with the central Education, Operations, Finance and People Excellence teams. The central team is not a service provider to the schools but works alongside them so enable and empower them to the best they can be for their pupils, colleagues and communities. It is through this approach that tangible impact can be seen.

The Trust Development Plan for 2022-23 has been evaluated for impact with input from the Extended Leadership Team. This evaluation take place at 3 key points during the year in shared evaluation sessions with the Extended Leadership Team and Trustees.

Where there are areas of concern in any aspect, schools receive the enhanced offer through a Capacity Receiving Plan (CRP). This enables the Trust to provide timebound, targeted support on a key areas to see rapid and sustainable improvement. It also enables the Trust to draw on the expertise of wider colleagues and live our collective efficacy to one another by supporting and improving together.

Pillar 1 - Identify and address vulnerabilities to enable schools to be the best at getting better

Impact:

- Schools - colleagues and governors - are well prepared for Ofsted inspections evidenced through positive feedback and improved SESs from the network sessions and briefing sessions
- The outcomes from the SMG inspection were exactly as predicted through Trust evaluation
- While the outcomes at SMG was Requires Improvement overall, 3 of the 5 judgements (Behaviour and Attitudes/Personal Development/EYFS) were judged as good. This represents improvement from the last inspection and impact of the CRP in a short space of time. Some delay in engagement with the CRP by school leaders and the LGC in Terms 1 and 2 may have resulted in a more positive overall outcome at inspection
- There has been a significant shift in the understanding of local governors at SMG and other schools with a CRP (RAS) on the impact and benefit of a CRP in making rapid and sustainable improvements in a school
- The governance support (with Trustees as co-chairs) has had significant impact on developing local governors and was commended by Ofsted at SMG
- The 'significant impact of the Trust' was noted by inspectors and will be reflected in the report
- The outcomes of the SMG inspection and data outcomes show the Trust evaluative processes (e.g. Partnership Visits, Education Reviews etc) are accurate and central team colleagues are knowledgeable and providing a high level of support and challenge to schools
- Palladian is recognised as a Trust that has an impact on schools through the TSI offer and has been identified as the preferred sponsor for a Wiltshire primary by the RD team
- Schools have approached the Trust following the Roadshows conversations continue with these schools in 23-24
- A Wiltshire primary had decided to join the Trust before the Directed Academy order was issued and another primary have decided to join
- The recruitment for the new headteacher and deputy headteacher at Ralph Allen attracted a good calibre and number of candidates who made reference to the reputation of the Trust regionally. The new headteacher is a current CEO who has experience of working in a Trust.
- There is a growing understanding of how data can be used (not just gathered) at teacher and leadership levels
- Outcomes at primary and secondary show strong improvements for some schools and in some areas e.g. phonics, EYFS and Multiplication check
- Feedback on the impact of the SEND lead role is very positive with schools reporting through Partnership Visits that the level of support and development has made a difference and from Term 1 to Term 3, the provision for pupils with SEND is more appropriate. Pupils are more settled and making progress
- The SEND lead's impact on leading the Stage 4 complaint at RAS and support of colleagues and LGC as part of this has meant that improvements were made quickly and next steps clearly identified. Positive relationships with the complainants were established and they noted this as part of the process
- There is a Trust SEND policy and all schools are now compliant with their SEND information repor

- The SENCo network feedback is very positive and SENCOs make reference to how their practice has improved
- The profile of the church schools within the Trust has been raised
- Strength of reputation from both Dioceses and the SIAMS inspector in the way the Trust works with and supports church schools
- All church schools, local governors and Christian distinctiveness Trustee have an understanding of the new SIAMS framework and the implications for inspections from September
- Impact of the CRPs has resulted in swift and sustained improvement in those schools. Ralph Allen received follow up safeguarding audit and practice and culture following the CRP was deemed effective with recognition of the Trust support. The recent Ofsted at St Martin's Garden made reference to the 'significant impact of the Trust' through the CRP

Pillar 2 - Develop and support everybody's expertise

Impact:

- Colleague feedback shows the majority feel listened to and impact of carefully chosen sessions seen back in school e.g. Teams, Inclusive classrooms, metacognition. 50% return of evaluations from January INSET compared to 35% in September.
- Network evaluations show the impact of the CPD offer both in knowledge but also feeling part of the Trust. Colleagues feel invested in and trust is growing so there is more engagement and excitement in new ways of working and development.
- Impact has been seen on upskilling colleagues in all roles to 'be great at their jobs'.
- Increased capacity of Ed Ex and Business Ex Teams has seen increased agility to respond to need.
- Networks for non-pupil facing and non-leadership colleagues have empowered them to have agency to work more efficiently or have a greater impact across their pupils e.g. admin/Pupil Champions. Feedback in market place was positive and enabled colleagues to learn more about all Trust schools.
- Colleague feedback makes note of positives of knowing who colleagues are in other schools and evidence of collective efficacy of colleagues supporting each other across the Trust
- 100% positive feedback from external NPQ delegates
- All ECTs have passed first or second year
- Governor and Trustee feedback shows there is a greater clarity of role and purpose and minutes show more effective challenge and questioning
- Governors and Trustees have effectively supported schools during SIAMS and Ofsted inspection
- Governors and Trustees have been effectively supported PEX and complaint panels

Pillar 3 – All learners to be their 'best selves

Impact:

- A more effective payroll and HR system that has enabled employee relation cases to be resolved in a more timely and appropriate way
- Web recruit development has streamlined recruitment from authorisation to recruit to employee onboarding. Still some parts of the process to iron out as they arise in practice but initial impact seen in greater overview and systemising of recruitment
- Clarity in policies for all colleagues that will ensure everyone has an equitable appraisal entitlement
- The Finance and HR BPs are growing their impact.
- There is a more equitable offer for pupils including a residential taking place in all schools. This was noted as part of the 'good' personal development judgement at SMG who previously had not had a residential

Pillar 4 – A courageous curriculum delivered through high quality pedagogy

Impact:

- Assurance of the knowledge that is being taught from Y1-6 as being sequential and progressive over time through the spine
- Mixed age schools have moved to bespoke yet carefully planned curriculum models on either a 2 year or 4 year programme but with a clear progression
- All single age schools to teach a 1 year programme to ensure sequencing and progression is clear and pupils know more and remember more
- All schools have developed their own learning blueprint to ensure the curriculum is delivered in a way to make knowledge stick for pupils
- Impact seen of the writing framework on pupils' use of ambitious vocabulary and structured approach to sentence structure
- Trust wide curriculum drivers agreed and positive engagement from all networks in developing their school level curriculum from the spine
- Clear next steps identified for new Ralph Allen leadership on assessment (including the working towards pupils) and reading from the TSI and Education Review
- CPD on reading and Ofsted delivered to all schools with positive feedback and actions seen in the Education Reviews

- Phonics is taught well across the Trust with above national outcomes overall
- Improvement seen in the times tables check

Pillar 5 - Ensuring the best use of resources to deliver our social, civic and ethical responsibilities

Impact:

- Clear forecasting and budgeting in place through IMP.
- Positive feedback from F&R, schools and central team on the clarity of information available on IMP.
- 2 more primaries will join the Trust during 2023-24
- Continuing conversations with another 2 Wiltshire primaries
- Palladian features in the Wiltshire LA and RD team strategy plans
- Central team are geared up for growth and process being tested with new schools joining
- Conditions surveys completed in all school
- Increased co-ordination of estates works in the short term during Estates lead recruitment
- Co-ordination of access to schools centrally means less pull on headteachers and wider colleagues during holidays
- Significant impact of the IT strategy in cost saving and increased efficiencies in service, Positive feedback received from schools once initial migration issues have been overcome
- Review finances around SEND where growing numbers are not covered by GAG
- Secondary curriculum, offer and staffing review to ensure financial efficiencies

Impact on outcomes

Secondary:

GCSE Outcomes

Results 2019							YR 11 Results 2023						
		Pupils	A8	P8	G4+	G5+			Pupils	A8	P8	G4+	G5+
	Nat Av	542,568	46.7	-0.03	64.6	43.2		Nat Av					
	All Students	155	52.2	0.04	70	49		All Students	211	54.13	0.12	80.1	58.8
Gender													
	Nat Av Males	276,638	44	-0.27	61	40		Nat Av Males					
	Males	87	49.6	-0.35	72	44		Males	118	51.29	-0.08	80.5	58.5
	Nat Av Females	265,930	49.5	0.22	68.4	46.6		Nat Av Females					
	Females	68	57.2	0.55	72	57		Females	93	57.74	0.38	79.6	59.1
Pupil Premium													
	Nat Av PP	143,816	36.7	-0.45	44.7	24.7		Nat Av PP					
	Pupil Premium	31	39.1	-0.64	39	20		Pupil Premium	33	38.1	-0.52	51.5	15.2
	Non Pupil Premium	124	56.7	0.24	81	59		Non Pupil Premium	178	57.09	0.25	85.4	66.9
Prior Attainment													
	High	81	64.1	0.16	91.4	75.3		High	59	70.93	0.17	100	86.4
	Middle	56	40.1	-0.04	51.8	13		Middle	109	64.43	0.25	87.2	62.4
	Low	7	15.9	-0.77	0	0		Low	35	27.96	-0.37	25.7	2.9
SEND													
	SEN (E/K)	9	22.78	-0.84	22.2	11.1		SEN	24	31.18	-0.78	33.3	29.2
	Noon SEN	146	54.75	0.11	75.3	52.1		No SEN	187	57.08	0.23	86.1	62.6

Results 2023				
		Pupils	APS per entry	VA
Overall	Nat Av			
	All Students	127	38.38	-0.46
Gender				
	Nat Av Males			
	Males	57	37.46	-0.41
	Nat Av Females			
	Females	70	39.14	-0.49
Pupil Premium				
	Nat Av PP			
	Pupil Premium	8	35.22	-0.63
	Non Pupil Premium	119	38.6	-0.44
SEND				
	SEN (K)	5	40.32	-0.44
	Noon SEN	122	38.29	-0.46

Primary (unvalidated)

School	EYFS GLD%	Year 1 Phonics EXS%	Year 2 Phonics EXS%	KS1 SAT reading EXS%	KS1 SAT reading GD%	KS1 SAT writing EXS%	KS1 SAT writing GD%	KS1 SAT maths EXS%	KS1 SAT maths GD%	KS1 SAT RWM EXS%	KS1 SAT RWM GD%	MTIC%	Average score	KS2 SAT reading EXS%	KS2 SAT reading GD%	KS2 SAT writing EXS%	KS2 SAT writing GD%	KS2 SAT maths EXS%	KS2 SAT maths GD%	KS2 SAT GPS EXS%	KS2 SAT GPS GD%	KS2 SAT RWM EXS%	KS2 SAT RWM GD%
CDP	61	84	91	75	28	67	11	77		61	5	38	21	83	42	75	13	77	38	86	48	65	12
FPS	69	77	85	66						43	0			72	46				20				
OPI	73	78	96	91	31	83	10	98	29	83	8												
OPJ												30	18.6	82	47	76		82	24	88	44	69	
SMG	63	73	86		25	57				21	50	0				64							
STP	65		87	65	21	62	8	77	23	59	8	28	21	87	51	92	23	89	33	92	56	85	18
WIS	85	95	100	93	43	83	40	95	33	80	25												
WJS												50	24	88	45	76	13	87	27	90	38	72	8
WPS	71	80	100	73	33	60		67		60	0	32	19.1	75		71				71			
WWI	73	100	100	65	21	62	8	77	23	59	8			85	31	77		77	46	77		69	8
Trust average	70.53	81.40	92.27	76.74	28.34	67.19	12.86	79.11	20.66	64.01	8.40	31.49	19.70	78.90	40.53	73.95		76.33	26.46	80.98	37.91	62.76	7.07
National (unrounded and approximated)	67	79	89	68	19	60	8	70	16			31	20.4	73	29	71	13	73	24	72	30	59	8

Report of the Trustees
for the Year Ended 31 August 2023

More information on our activities during this reporting period, including the Pupil and school performance are detailed in the separate annual report document.

Going Concern

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

The wider system implications of economic pressures on future delivery of our charitable objectives will be greatly influenced by our fiscal and social context. This issue remains a key watching brief next year and beyond.

Promoting the success of the company

Under section 172(1) (1) to (f) of the companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- The likely consequences of any decisions in the long term
- The interest of the company's employees
- The need to foster the company's business relationship with supplier, customers and others
- The impact of the company's operations on the community and the environment
- The desirability of the company maintaining a reputation for high standards of business conduct
- The need to act fairly as between members of the company

The trustees have had regard to the above matters and have included examples throughout the trustees annual report and strategic report to highlight how the Trust has promoted the success of the charity to achieve its charitable purpose.

Financial review

Financial position

The Academy Trust's accounting period covers the twelve months from 1 September 2022 to 31 August 2023. The Academy Trust has adopted the Academies Trust Handbook, extant from 1 September 2022 for this accounting period.

Most of the Academy Trust's income is obtained from the Education and Skills Funding Authority (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the 12-month period ended 31 August 2023, and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy Trust also received grants for fixed assets from the ESFA which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned.

During the year £721,954 of School Condition Allocation (SCA) and Devolved Formula Capital (DFC) grant funding has been received. Funding from the Department for Business, Energy and Industrial Strategy (delivered by Salix Finance) of £706,499 was received for the installation of an air source heat pump heating system St Martin's Garden, as part of the Public Sector Decarbonisation Scheme.

For the year ended 31 August 2023 we are reporting an operating deficit on general restricted funds (excluding pension reserve) plus unrestricted funds of £1,522,691. This included planned reserves spending of £890,903 (part of school and growth investment). The shortfall in funding was due to unforeseen economic pressures and unfunded staff pay increases, in response to the exceptional cost-of-living increases. These increases were not fully covered by the additional grants provided to top-up the existing general grant. The national recruitment crisis within schools has resulted in ongoing shortages of staff and a reliance on supply agency and supply cover. In response to this challenge a Budget recovery plan (monitored by F&R) was implemented and now forms part of the approved budget for the 2023/24 year and beyond.

Some of the land and buildings recognised on conversion in prior years comprise land and buildings owned by the Diocese of Bath & Wells and the Diocese of Salisbury. The Academy Trust has been granted the use of this land and buildings by the dioceses under Supplemental agreements. The Accounts Direction 2022 to 2023 requires the Academy Trust to determine whether its rights over the premises meet the definition of an asset. In reaching this conclusion the Academy Trust has taken into account the views of each diocese. The Academy Trust has concluded based upon guidance from the respective diocese that the land and buildings owned by the Diocese of Bath & Wells should be recognised as assets on the balance sheet, on the basis that the Academy Trust has control over the access and works to this land and buildings, whereas for the Diocese of Salisbury the land and buildings have not been included as assets on the balance sheet as the Academy Trust is deemed to not have sufficient control over the site. See note 14 to the financial statements for more detail. Should further guidance on this treatment from the ESFA or either diocese becomes available in the future, the appropriateness of this treatment will be re-assessed.

Report of the Trustees
for the Year Ended 31 August 2023

STRATEGIC REPORT

Financial review

Investment policy and objectives

The Academy Trust does not currently hold any significant investments other than periodic credit balances on its bank account on which it earns interest from time to time. If these surplus balances were to grow to any substantial level the Trust would apply the Trustees' investment powers as set down in the Memorandum and Articles of Association. This policy will be developed in line with the response to Climate Emergency Declaration.

Reserves policy

During the year the Trust adopted in full a new reserves policy to provide financial stability in an unpredictable operating environment and make sufficient provision for future cash flow requirements and capital procurement. The policy can be viewed on the Trust website.

The policy establishes a free reserves target (that includes GAG) based upon an annual risk assessment using the Trust risk register. The reserves should cover a reasonable estimate of the sum of the financial impact identified within the risk register. The holding of reserves must not be excessive when considered against the duty to use for the benefit of current pupils. The 2022-23 budget was set with a target free reserve level (including GAG) of £1,235,000 (approximately 7% of the total GAG income).

In total, the funds of the Academy Trust at 31 August 2023 were £70,016,350 which is represented by £592,636 of unrestricted funds and £69,423,714 of restricted funds. £69,663,762 of restricted funds are represented by the net book value of fixed assets which can only be realised through the disposal of the fixed assets.

At the balance sheet date, the Academy Trust had free reserves (total funds less the amount held in fixed assets, any designated funds and restricted funds) of £169,399. The total balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds was £891,752.

The unrestricted funds and restricted general funds (excluding pension reserve) balance relating to individual schools within the multi-Academy Trust is separately monitored by the Academy Trust. These balances are disclosed within note 20 to the financial statements.

The Academy Trust has a designated fund representing any monies held by individual schools as part of their School Funds. Income generated by the school through school fundraising will be held in this fund. At the year-end date £423,227 in total was held in the School Funds for the schools within the Academy Trust.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, provided to support staff, to a restricted pension reserve. This was a deficit of £1,371,000 at the year-end date. The actuarial valuation resulting in the pension deficit does not present the Academy Trust with any current liquidity problem as it is not a liability that must be settled immediately. More detail can be seen in note 21 of the financial statements.

Fundraising

Trustees take their responsibilities for fundraising seriously and comply with the Fundraising Regulator's Code of Fundraising Practice. The Trustees are aware of the Charity Commission publication on this matter and adopt the following principles to support fundraising:

- Planning effectively.
- Supervising fundraisers.
- Protecting the Academy Trust's reputation, money and other assets.
- Identifying and ensuring compliance with the laws or regulations that apply specifically to the Academy Trust's fundraising.
- Identifying and following any recognised standards that apply to the Academy Trust's fundraising.
- Being open and accountable.

The Academy Trust hasn't utilised any commercial participators or professional fundraisers during this period. Schools work with their parents and local Parent, Teacher Association (PTA) to engage their community in honest, open and transparent activities for local fundraising and voluntary contribution requests. All fundraising is monitored by Trustees. The trust has registered for gift aid.

Report of the Trustees
for the Year Ended 31 August 2023

STRATEGIC REPORT

Principal Risks and Uncertainties

The Academy Trust's financial team, the Finance and Resources Committee and the Board of Trustees continually review the Academy Trust's financial position and consider possible risks which may affect financial liquidity. The Trustees are not aware of any immediate risks to the financial position at present and continue to plan for the consequences of reduced real cash funding with an analysis covering several years. The Academy Trust has considerable reliance on continued Government funding through the EFSF, although we expect this to continue, there are no assurances that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

The Academy Trust is aware of other principal risks, which are:

- raised expectations of curriculum provision enshrined within the new Ofsted framework: learning residue, curriculum sequencing and cohesion across Key Stages
- additional changes in the 2023 framework to which schools must adapt
- non-controllable increases in costs – unfunded or partially funded pay awards, national insurance & pension reform and wider inflationary cost increases to utilities and other services.
- continued funding reductions and budget cuts across the wider public and transport sector which directly impact on parents, pupils and school partners.
- declaration of climate emergency in locality with the aim to achieve carbon neutrality by 2030

The Trustees seek to mitigate or remove these risks by:

- the excellent learning provision with progression for all learners including growth of school improvement capacity including the growth of capacity giving schools joining the trust alongside those who need additional support.
- continual scrutiny and monitoring of expenditure.
- the existence of plans for future campus developments and readiness to submit bids for any expenditure that becomes available.
- identifying synergistic savings within the Trust and working with partner Trusts and organisations.
- ensuring that there is secure knowledge of our profile and our offer within our community of schools, businesses, partners and wider markets.
- identifying where our organisation can contribute to reducing and reversing the risk of climate change through review of our policy and practise related to curriculum and running our organisation.
- accelerating and emphasising single employer opportunities in recruitment and retention, shadow structures and 'growing talent' activity
- a values-driven approach, through the delivery of the Trust Development Plan predicated upon our five core values.
- strongly centralised education and business excellence, which has the skill set to support and challenge all schools, with trustee capacity integrated

Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Charity constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Palladian Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates and is known as Palladian Academy Trust.

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

Members' Liability

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

Trustees' Indemnities

In accordance with current education sector practice the Academy Trust has become a member of the government run Risk Protection Arrangements (RPA) to protect Trustees and officers from claims arising from breach of duty, breach of trust, neglect, error or omission committed solely in the course of Academy Trust business. The arrangements provide cover up to £10,000,000 on any one loss and any one membership year.

Method of Recruitment and Appointment or Election of Trustees

The majority of Trustees are appointed by the members. Foundation Trustees are appointed by the Bath and Wells Diocese Board of Education (DBE) Trust or the Salisbury Diocese Board of Education in accordance with the memorandum of understanding. The Chief Executive Officer (CEO) of the Academy Trust is appointed by the Trustees who may also appoint two co-opted Trustees to the board. The Chair of the Trustees is elected annually by the Trustees. Chairs of committees including School Local Governance Committees are also appointed by the Trustees.

The Articles stipulate that the Academy Trust shall have the following Trustees:

- Up to 7 Trustees appointed by the Trust Members
- Up to 4 Trustees appointed by the dioceses, subject to the condition that the number of such Trustees should not exceed one third of the total number
- The Chief Executive Officer, as Accounting Officer

In appointing Trustees, the Trust Members seek to bring an appropriate range of skills and experience into the Board of Trustees in order for it to carry out its responsibilities effectively and to promote the success of the charity to achieve its charitable purpose. Up to two co-opted Trustees can be appointed as detailed in article 58 of the Articles of Association.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed. Trustees will usually be linked to a specific area of Trust Business to promote communication and understanding, strengthening inter-school connection and specific interests of foundation trustees and schools. The same model is echoed in the Local Governance Committees to enhance the networking opportunities and sharing of best practice.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience but would always include meetings with the Chief Executive Officer, the Chief Operating Officer and the Chair of Trustees to ensure clarity around expectations on both sides. They would normally be expected to join a committee, so a meeting with the Chair of that committee will also happen.

Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Visits to the Academies within the Academy Trust are encouraged in order to see the work of the organisation in practice, and the Board of Trustees meets with the extended leadership team of Executive headteachers, Headteachers, Heads of School and central team leads three times a year. Trustees are given an Academy Trust specific email address, and access to policies, frameworks, plans and documents (including the Academies Handbook and Nolan Principles) as needed to enable them to undertake their role as Trustees. The Academy Trust encourages Trustees and committee members to attend internal and external training and development courses, and the Clerk regularly sends out lists of courses, network opportunities and professional resources including membership to the National Governance Association (NGA) and more recently the Confederation of School Trusts (CST). Virtual Trust wide governance meetings have attracted approximately 90 attendees are designed with specific focus in developing and delivering the charitable objectives of the trust. Trustees have benefited from externally facilitated risk management training.

Organisational Structure

The Academy Trust's Members are the custodians of the constitution and will consider, and if appropriate, approve any changes to the Articles of Association at a general meeting. They will also receive the statutory accounts at the Annual General Meeting.

The Academy Trust is established on the basis that the Board of Trustees has significant levels of power and authority to ensure solvency and to determine strategy, policy and standards for the Academy Trust as a whole. Local Governance Committees and other Academy Trust-wide committees have duties to support the Board of Trustees in these responsibilities, to focus on the delivery of the vision against the Academy Trust's standards and to engage with stakeholders internally and externally to ensure their needs are being met. The Board of Trustees meets at least six times a year.

During 2022-23 The Academy Trust embedded its redeveloped Governance Framework documents and financial scheme of delegation to clearly communicate the scheme of delegation (including reserved matters that cannot be delegated to committees), which describes the membership, terms of reference and procedures for Committees of the Board. The Board of Trustees is also the source of delegation to the Extended Leadership Team (ELT) and its members. All delegation to staff then flows from the ELT.

Apart from the Local Governance Committees, during 2022-23 there were three trust wide standing committees: Audit and Risk Management, Finance and Resources, and Quality of Education. The Board has worked to clarify the role of the Local Governance Committees and the delegations to these. The Board of Trustees reserves decisions such as: approving the development plan and budget; considering any proposals for changes to the status or the constitution of the Academy Trust and its committee structure; and appointing or removing the Chair of the Board of Trustees, CEO and Clerk to the Board of Trustees. In addition the Trust Board has supported establishment of a strong Christian Distinctiveness network to ensure the ongoing flourishing of our church schools.

During 2022-23 the Trust Board set up two shared Local Governance arrangements within the Trust to support changes to the executive structure for the benefit of the organisation and the furtherance of the objectives.

The Board of Trustees has devolved the day-to-day operational management of the Academy Trust to the CEO. The CEO leads the Extended Leadership Team which also includes the Chief Operating Officer (COO) and Director of Education and the Headteachers.

Details of the Members, Trustees, Clerk and Extended Leadership Team are included in the Administrative Details on Page 1.

Key management remuneration

The Trustees of the Palladian Academy Trust and the Extended Leadership Team, comprising the Chief Executive Officer, Chief Operating Officer, Director of Education and the Headteacher of each school are the key management personnel of the Trust.

The Trustees give their time freely and no Trustee remuneration was paid in the year in respect of fulfilling their role as Trustees. Staff Trustees only receive remuneration in respect of services they provide undertaking their roles as staff members.

The pay of senior staff is set in accordance with National Teachers pay and staffing conditions or National Joint Committee 'Green Book'. The pay of senior staff is reviewed and agreed annually by the Board of Trustees with the support of the HR, Remuneration & Selection Committee in line with the national cost of living pay awards for teaching and support staff. In addition, there is a Chief Executive's Appraisal Panel to oversee the process of appraisal for the CEO's performance in line with the Academy Trust's appraisal and remuneration policies and other related HR policies and procedures. Senior staff can also be awarded pay increments by the Finance and Resources Committee only after a successful performance review process has been carried out in line with the Academy Trust's Pay Policy.

Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Trade Union Facility Time

Under the provision of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an Academy Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. Facility time publication legislation requires public sector employers with more than 49 full-time equivalent employees to publish information every year about their usage and spend on trade union facility time. Facility time is the provision of paid or unpaid time off from an employee's normal role to undertake trade union duties and activities as a trade union representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties (but not activities).

The Palladian Academy Trust meets its statutory obligations to provide facility time to trade union representatives by pooling resources with other schools and academies within the Local Authorities, to cover the time spent by trade union representatives across a number of different employers. No relevant union officials are therefore employed by the Academy Trust. We will, therefore, publish facility time information as the total cost of our contribution to pooled facility time expressed as a percentage of our total pay bill for the relevant period. For the period 1 April 2022 - 31 March 2023, the Palladian Academy Trust spent 0.05% of the total pay bill on facility time.

Connected Organisations, including Related Party Relationships

Academy Trust. The Academy Trust regularly collaborates with other multi academy trusts and networks, local universities, diocese and other primary and secondary school networks in relation to general delivery of charitable objectives and active participation in our local community.

There are a number of Parent Teacher Associations (PTAs) associated with individual academies in our Academy Trust.

The Trust applies the policy of 'at-cost' and full disclosure of any related party transactions. It is the Academy Trust's intention to keep any related party transactions to a minimum unless they represent greater value for money than the alternative.

Engagement with employees (including disabled persons)

The Academy Trust is committed to employee involvement throughout the Academy Trust. Employees are kept well informed and participate in development of the aims and strategy of the Academy Trust through a variety of communications such as personal briefings, regular meetings, trust wide training days and sessions, workforce working parties & survey, emails and publications including colleagues handbook, newsletters and leadership bulletins. Individual staff and team performance is clearly linked to the success of the organisation, overall pupil experience and community standing. High levels of employee consultation have been crucial to the production and development of Risk Assessments (organisational and individual) to mitigate risks associate with Covid-19 and enable all trust schools to open throughout this reporting period. Trustees have supported the development of the People Strategy built upon the pillars of the Trust values. Wellbeing remains a key value and focus of the trust and additional support has been procured for an employee assistance scheme including counselling provision, leadership wellbeing facilitated time, working from home arrangements where practicable.

The Academy Trust is clear in its policy that people with disabilities should have full and fair consideration for all vacancies. The Academy Trust has a commitment to interviewing those people with disabilities who fulfil the minimum requirements. The Academy Trust is committed to retaining employees in the workforce if they become disabled during employment. The Academy Trust acts to adjust employees' environments or hours or days of work where possible to enable them to maximise their potential and uses occupational health services to advise about reasonable adjustments the organisation should put in place. Participation in sector wide survey activity during this reporting period continues to support the development of the Trust Equality, Diversity and Inclusion work.

Engagement with suppliers, customers and others in a business relationship with

The trust has declared a climate emergency and aims to be carbon neutral in 2030. Identification of decarbonisation opportunities has resulted in preparations and submission to the Government's Salix decarbonisation grant scheme. Key contracts have been renegotiated with climate impact a key component.

Report of the Trustees
for the Year Ended 31 August 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trust benefits from the generosity of the community, governors, staff and parents volunteering significant time to support our charitable activities. In partnership with the Sporting Family Change, St Martin's Garden Primary continues to run a community pantry to support families in need.

FUNDS HELD AS CUSTODIAN FOR OTHERS

No funds were held as a custodian on behalf of others.

STREAMLINED ENERGY AND CARBON REPORTING

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

	2022/23	2021/22
Energy consumption break down (kWh)		
- Gas	2,143,125	2,625,572
- Electricity	1,155,221	1,1017,329
- Transport fuel	7,369	4,737
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	391.26	479.27
Owned transport - mini-buses	1.44	1.10
Total Scope 1	392.70	480.37
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	239.22	196.73
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles	0.37	0.05
Total gross emissions in metric tonnes CO₂e	632.29	677.16
Intensity ratio Tonnes CO₂e per pupil	0.18	0.19

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standards and have used the 2023 Government Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

At the start of the year we completed a Public Sector Decarbonisation (phase 3a) funded efficiency project at Ralph Allen School. Life expired gas fired boilers were replaced by Electric Air Source Heat Pumps (ASHP), resulting in a significant saving in gas consumption and CO₂ emissions. A further project (phase 3b) to replace life expired gas boilers at St Martin's Garden Campus with ASHP took place over the summer 2023 and we look forward to reporting further energy savings in next year's report.

Schools have continued to engage with our partner Energy Sparks, to help develop granular understanding of energy use, and develop energy reduction plans based on this data.

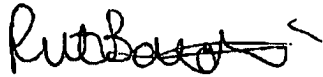
Palladian Academy Trust (Registered number: 08061092)

Report of the Trustees
for the Year Ended 31 August 2023

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the academy trust's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the academy trust's auditors are aware of that information.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on7 December 2023..... and signed on the board's behalf by:



.....
R L Balch - Chair

Palladian Academy Trust

Governance Statement for the Year Ended 31 August 2023

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Palladian 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 of loss.

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

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

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 times during the year in addition to the AGM. Attendance during the year at meetings of the board of trustees was as follows:

					AGM				ETB							
Trust Board			08.09.2022	13.10.2022	01.12.2022	08.12.2022	02.02.2023	30.03.2023	25.05.2023	23.06.2023	13.07.2023					Summary
Surname	First Name	Role														
Alcock	Angela	Member Appointed Trustee	Present	Apologies	Present	Apologies	Apologies	-	-	-	-	-	-	-	-	2 of 5
Balch	Ruth	Foundation/Trust (DBW) Appointed Trustee	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	9 of 9
Battersby	Thomas	Member Appointed Trustee	Present	Present	Present	Absent	Present	Present	Present	Present	Apologies	Present	Present	Present	Present	7 of 9
Bullard	Richard	Foundation/Trust (DBW) Appointed Trustee	Present	Present	Present	Apologies	Present	Present	Present	Apologies	Present	Present	Present	Present	Present	7 of 9
Hunter	Julie	Member Appointed Trustee	Present	Present	Present	Present	Present	Apologies	-	-	-	-	-	-	-	5 of 6
Mason	Christopher	Foundation/Trust (DBW) Appointed Trustee	Apologies	Present	Present	Present	Apologies	Present	Present	Present	Present	Present	Present	Present	Present	7 of 9
Jefferies	Lucy	Member Appointed Trustee	Leave of Absence	Resigned	-	-	-	-	-	-	-	-	-	-	-	0 of 2
Robbins	Michael	Member Appointed Trustee	Present	Present	Present	Present	Apologies	Present	Present	Absent	Present	Present	Present	Present	Present	7 of 9
Tandy	Donna	ex-officio Trustee and CEO	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	Present	9 of 9
Wilton-Rhead	Sarah	Co-opted Trustee	-	Present	Apologies	Apologies	Present	Present	Present	Apologies	Present	Present	Present	Present	Present	5 of 8
Newman	David	Co-opted Trustee	-	Present	Apologies	Apologies	Present	Apologies	Present	Apologies	Present	Apologies	Present	Present	Present	4 of 8
Garcia Sacodon	Irene	Member Appointed Trustee	-	-	-	-	-	Present	Present	Present	Apologies	Present	Present	Present	Present	3 of 4
Raimato	Rosanna	Member Appointed Trustee	-	-	-	-	-	-	Present	Absent	Apologies	Present	Present	Present	Present	1 of 3
West	Mark	Member Appointed Trustee	-	-	-	-	-	-	-	Present	Present	Present	Present	Present	Present	2 of 2
Gascoigne	Jane	HT Rep to Trust Board	Present	Present	Apologies	Present	Apologies	Present	Apologies	-	Present	Present	Present	Present	Present	5 of 8
Watts	Allison	HT Rep to Trust Board	Present	Apologies	Present	Present	Present	Apologies	Present	-	Present	Present	Present	Present	Present	6 of 8
Marsh	Jo	Company Secretary and COO	Present	Present	Present	Present	Present	Present	Present	Apologies	-	Present	Present	Present	Present	7 of 8
Pollard	Lisa	Exec In attendance	Present	Apologies	Present	Apologies	Present	Present	Present	-	Present	Present	Present	Present	Present	7 of 8
Clark	Binky	Governance Development Officer	Present	Present	Present	Present	Apologies	Present	Present	Present	Present	Present	Present	Present	Present	8 of 9

The activities of the Board of Trustees have covered the following:

- Determining a vision for the Academy Trust that promotes learning and the moral, social and cultural development of pupils and students.
- Ensuring that the vision and its achievement underpins all strategic planning and decision making including a targeted growth plan with cross local authority and secondary phases focus, including the sponsoring of West Wood with Iford Primary School.
- Developing the values of the Academy Trust and ensure that they underpin all decision making.
- Developing, agreeing, implementing and monitoring all the Academy Trust's strategies and policies for the achievement of the vision.
- Developing, reviewing and taking ownership of the Academy Trust's strategic plan (incorporating academy financial plans), and monitoring its implementation.
- Ensuring that the Academy Trust keeps within its legal obligations and complies with all necessary constitutional and regulatory requirements.
- Ensuring that the Academy Trust remains solvent through effective financial planning, performance monitoring, risk management and a focus on value for money.
- Ensuring that all academies within the Academy Trust attain high standards and demonstrate at least good progress against national indicators & securing appropriate capacity plans where needed.
- Agreeing and overseeing the implementation of a strategy for the development of the Academy Trust, including development of key partners at member, board and school level.

Palladian Academy Trust

Governance Statement for the Year Ended 31 August 2023

- Overseeing the onboarding and retention of a strong Chair of the Board and Chief Executive Officer to progress development of the Trust
- Providing challenge and support to the Chief Executive and the other members of the Executive Leadership Team.
- Maintaining an overall control and consistency of approach across the Academy Trust and its academies through annual review which has informed development of:
 - Strong governance arrangements by enhancing committee arrangements for standards and educational outcomes, specific link trustees and growth of trustee expertise in business growth.
 - Clear and appropriate levels of delegated authority by refreshing the governance framework and clarifying the roles and relationship between the board and the school governing body committees in relation to standards, finance and governance recruitment and development in particular.
 - Unified frameworks for strategic planning, risk management, policy making and performance review including progress of pupil attainment.
 - The promotion of collaborative working and the sharing of resources across all academies within the Academy Trust by strengthening the professional expertise in central services across human resources, governance, finance and compliance and communication.
 - Securing appropriate and dynamic response to significant events such Covid-19 impact & Brexit; with particular support for pupils, staff and families

Conflicts of interest

The Academy Trust ensures that every trustee and governor understands what constitutes a potential business interest and a potential conflict of interest and that they have a responsibility to identify and declare any interests and conflicts that might arise for themselves or close family members.

It maintains and publishes business interests and conflicts as required information in line with statutory duties.

Trustees and governors have a standard agenda item at the beginning of each meeting of the Trust Board and all Committees to declare any actual or potential conflicts of interest. The Trust Board of Palladian Academy Trust carries out continuous monitoring of its activities and members to ensure that any conflicts of interest are identified and mitigated as soon as possible.

Governance Review

The Academy Trust has utilised the services of the National Governance Association (NGA) for all Trustees and Local Governors and has continued to benefit from the knowledge of a trustee with National Leader of Governance designation. The Chair of the Board undertook a 360 review of their performance during the year to inform further improvements, alongside self-evaluation processes completed by the Board, Standing Committees and the Local Governance Committees. An ERG is planned for 2023/24.

The new Scheme of Delegation was audited and received level 4 assurance.

The Governance Professional obtained a distinction in the CGI Level 4 Certificate in Academy Governance during 2022/23 ensuring high quality support and advice for the Board and its committees.

Trustees have undertaken training with the National College, CST and Forum Strategy during the year.

Trustees and Local Governors were also provided with in-house training sessions on exclusions and primary data, alongside a half day conference focusing on Inclusion, SEND and disadvantage.

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. During the year the committee met five times and activities covered:

- Ensuring that The Academy Trust's framework of financial planning, treasury management, systems and controls is enabling the proper management of the financial resources across the Academy Trust.
- Supporting the Board of Trustees in ensuring that a framework is established and maintained for optimising the employment of all financial and other resources (not human) available to the Academy Trust to enable it to meet its business and financial objectives.
- Supporting the Board of Trustees in providing an added level of scrutiny in the monitoring of finance and resources including human resource following the disbanding of the HRSS committee.
- Keeping the Board of Trustees regularly informed of the committee's activities and key decisions.

Palladian Academy Trust

Governance Statement for the Year Ended 31 August 2023

Attendance at meetings in the period was as follows:

F&R			04.10.2022	17.11.2022	19.01.2023	09.03.2023	04.05.2023	22.06.2023					
Mason	Christopher	F&R Member and Chair	Present	Present	Present	Present	Present	Present					6 of 6
Battersby	Thomas	F&R Member	Present	Present	Apologies	Present	Absent	Present					4 of 6
Allcock	Angela	F&R Member	Apologies	Present	Present	-	-	-					2 of 3
Tandy	Donna	F&R Member	Present	Present	Present	Present	Present	Present					6 of 6
Balch	Ruth	Stand In F&R Member	-	-	-	Present	Apologies	Present					2 of 3
Marsh	Jo	Exec In attendance	Present	Present	Present	Present	Present	Present					6 of 6
Everett	Nell	Exec In attendance	Present	Present	Present	Present	Present	Present					6 of 6
Clark	Binky	Governance Development Officer	Present	Present	Present	Present	Present	Present					6 of 6

Audit and Risk Committee

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. During the year the committee met five times and activities covered:

- Monitoring and assessing internal controls to ensure that the Academy Trust as a whole is operating at appropriate levels of risk and in compliance with the Code of Audit Practice.
- Taking responsibility for external and internal audit matters, oversee the work programme and performance quality of the internal and external audit services.
- Supporting the Board of Trustees in ensuring that a framework is established and maintained for the identification and management of risk.
- Supporting the Board of Trustees in providing an added level of scrutiny in the monitoring of audit and risk.
- Ensuring that the governance of the organisation is effective.
- Keeping the Board of Trustees regularly informed of the committee's activities and key decisions.

Attendance at meetings in the period was as follows:

A&R			14.09.2022	9.11.2022	01.03.2023	26.04.2023	27.06.2023						
Robbins	Michael	A&R Member and Chair	Present	Present	Present	Present	Present						5 of 5
Jefferies	Lucy	A&R Member	Absent	Absent	-	-	-						0 of 2
Newman	David	A&R Member	-	Present	Apologies	Present	Present						3 of 4
Balch	Ruth	A&R stand in member due to LJ absence	Present	Present	Apologies	-	-						2 of 3
Garcia Sacedon	Irene	A&R Member	-	-	-	Present	Present						2 of 2
Mason	Christopher	A&R Stand In member.	-	-	-	Present	-						1 of 1
Tandy	Donna	Exec In attendance	Present	Present	Apologies	Present	Present						4 of 5
Marsh	Jo	Exec In attendance	Present	Present	Present	Present	Present						5 of 5
Clark	Binky	Governance Development Officer	Present	Present	Present	Apologies	Present						4 of 5

Review of Value for Money

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

The Accounting Officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. Value for money is evidenced throughout the Trust Pillars listed in the Achievements and Performance section above.

Palladian Academy Trust

Governance Statement
for the Year Ended 31 August 2023

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Palladian Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

Palladian Academy Trust

Governance Statement
for the Year Ended 31 August 2023

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Resources Committee and the Audit and Risk 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees have considered the need for a specific internal audit function and has decided to appoint One West, an internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks of controls, systems, transactions and governance process on behalf of the Academy Trust to give confidence that the:

- The financial responsibilities of the Trust Board are being properly discharged;
- Resources are being managed in an efficient, economical and effective manner;
- Sound systems of internal financial control are being maintained; and;
- Financial considerations are fully taken into account in reaching decisions.

As planned, these checks have included focus on areas such as Follow up review of Audits 21/22, accruals and prepayments, budgetary control, value for money; no material issues were noted. The audit programme was undertaken as planned.

The internal auditor reported directly to the Board of Trustees, through the Audit and Risk Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The annual report will be submitted to the DfE along with the audited accounts.

Review of Effectiveness

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

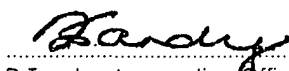
- the work of the internal auditor;
- the work of the external auditor;
- the school resource management self-assessment tool;
- the work of the ESFA financial and governance review;
- the work of the DPO audit;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 7 December 2023 and signed on its behalf by:



R L Balch - Chair



D Tandy - Accounting Officer

Palladian Academy Trust

Statement on Regularity, Propriety and Compliance
for the Year Ended 31 August 2023

As accounting officer of Palladian Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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


.....
D Tandy - Accounting Officer

Date: 7 December 2023

Palladian Academy Trust

Statement of Trustees' Responsibilities
for the Year Ended 31 August 2023

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

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


- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether or not applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the board of trustees on 7 December 2023 and signed on its behalf by:



R L Balch - Chair

**Report of the Independent Auditors to the Members of
Palladian Academy Trust**

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland';
- 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

**Report of the Independent Auditors to the Members of
Palladian Academy Trust**

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the academy and the education sector, we identified that the principal risks of non-compliance with laws and regulations related to the regulations prescribed in the Academies Trust Handbook, safeguarding, health and safety, employment law, and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements of the academy. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Academies Accounts Direction, Charities Statement of Recommended Practice and Companies Act 2006.

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

- Enquiry of management and those charged with governance about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities and fraud;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing analytical procedures to identify any unusual or unexpected relationship that might indicate a risk of material misstatement due to fraud;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

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

Report of the Independent Auditors to the Members of
Palladian Academy Trust

Use of our report

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



James Gare (Senior Statutory Auditor)
for and on behalf of Sumer Audit
Statutory Auditor
Chartered Accountants
County Gate
County Way
Trowbridge
Wiltshire
BA14 7FJ

Date: 13 December 2023

**Independent Reporting Accountant's Assurance Report on Regularity to
Palladian Academy Trust and the Education and Skills Funding Agency**

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

Respective responsibilities of Palladian Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Palladian Academy Trust's funding agreement with the Secretary of State for Education 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 Academies Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

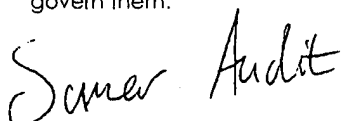
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Academy's Trustees.
- Inspection and review of the accounting records, meeting minutes, prior year regularity report, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.
- Review of the results of the Academy's process of independent checking of financial controls, systems, transactions and risks
- Consideration of governance issues

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.



Sumer Audit
Chartered Accountants
Reporting Accountant
County Gate
County Way
Trowbridge
Wiltshire
BA14 7FJ

Date. 13 December 2023

Palladian Academy Trust

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 August 2023**

				2023	2022
	Notes	Unrestricted funds £	Restricted General funds £	Restricted Fixed Asset funds £	Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and capital grants	2	148,469	-	1,497,224	1,645,693
Transfer from Local Authority on conversion		-	-	-	3,727,968
Charitable activities					
Funding for the academy's educational operations	3	887,987	21,835,039	-	22,723,026
Other trading activities	4	519,310	12,320	-	531,630
Investment income	5	8,246	-	-	8,246
Total		<u>1,564,012</u>	<u>21,847,359</u>	<u>1,497,224</u>	<u>24,908,595</u>
EXPENDITURE ON					
Raising funds	7	230,232	-	-	230,232
Charitable activities					
Academy's educational operations	8	2,219,087	22,585,853	2,251,057	27,055,997
Total		<u>2,449,319</u>	<u>22,585,853</u>	<u>2,251,057</u>	<u>27,286,229</u>
NET INCOME/(EXPENDITURE)		(885,307)	(738,494)	(753,833)	(2,377,634)
Transfers between funds	20	(282,836)	254,834	28,002	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		-	1,446,000	-	1,446,000
Net movement in funds		(1,168,143)	962,340	(725,831)	(931,634)
RECONCILIATION OF FUNDS					
Total funds brought forward		1,760,779	(2,064,214)	71,251,419	70,947,984
TOTAL FUNDS CARRIED FORWARD		<u>592,636</u>	<u>(1,101,874)</u>	<u>70,525,588</u>	<u>70,016,350</u>
		<u>592,636</u>	<u>(1,101,874)</u>	<u>70,525,588</u>	<u>70,947,984</u>

The notes form part of these financial statements

Palladian Academy Trust (Registered number: 08061092)

Balance Sheet
31 August 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	14	69,663,762	70,397,441
CURRENT ASSETS			
Debtors	15	1,613,642	1,311,915
Cash at bank		<u>2,711,435</u>	<u>4,383,745</u>
		4,325,077	5,695,660
CREDITORS			
Amounts falling due within one year	16	(2,401,196)	(2,232,203)
NET CURRENT ASSETS		<u>1,923,881</u>	<u>3,463,457</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		71,587,643	73,860,898
CREDITORS			
Amounts falling due after more than one year	17	(200,293)	(217,914)
PENSION LIABILITY	21	(1,371,000)	(2,695,000)
NET ASSETS		<u><u>70,016,350</u></u>	<u><u>70,947,984</u></u>
FUNDS	20		
Restricted funds:			
Fixed asset funds		70,525,588	71,251,419
Restricted income funds		269,126	630,786
Pension reserve		<u>(1,371,000)</u>	<u>(2,695,000)</u>
		69,423,714	69,187,205
Unrestricted income funds		<u>592,636</u>	<u>1,760,779</u>
TOTAL FUNDS		<u><u>70,016,350</u></u>	<u><u>70,947,984</u></u>

The financial statements were approved by the Board of Trustees and authorised for issue on
7 December 2023 and were signed on its behalf by:



R L Balch - Trustee

Palladian Academy Trust

Cash Flow Statement
for the Year Ended 31 August 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	24	(3,106,246)	(663,884)
Interest paid		-	(2,196)
Net cash used in operating activities		<u>(3,106,246)</u>	<u>(666,080)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(28,002)	(219,846)
Capital grants from DfE/EFA		1,483,704	1,092,088
Interest received		<u>8,246</u>	<u>783</u>
Net cash provided by investing activities		<u>1,463,948</u>	<u>873,025</u>
Cash flows from financing activities			
Loan repayments in year		<u>(30,012)</u>	<u>(10,702)</u>
Net cash used in financing activities		<u>(30,012)</u>	<u>(10,702)</u>
Cash transferred on conversion to an academy		-	<u>43,049</u>
Change in cash and cash equivalents in the reporting period		(1,672,310)	239,292
Cash and cash equivalents at the beginning of the reporting period		<u>4,383,745</u>	<u>4,144,453</u>
Cash and cash equivalents at the end of the reporting period		<u><u>2,711,435</u></u>	<u><u>4,383,745</u></u>

The notes form part of these financial statements

Palladian Academy Trust

Notes to the Financial Statements
for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

Palladian Academy Trust is a company limited by guarantee incorporated in England. The address of the registered office is given in the Reference and Administrative Details given on page 1 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Report of the Trustees on page 2.

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

Going concern

At the 31 August 2023 the funds available to provide education were £861k which is 4.8% of GAG income. The Trust set a budget for 2023/24 which would see those funds reduce by a further £782k. If no further action was taken this would result in the reserves of the Trust only being £99,000 at 31 August 2024.

The Trust considers that this does not allow enough headroom for contingency and has therefore initiated a recovery plan. This has included a recruitment freeze and a review of the budgeted procurement for the upcoming year. The recovery plan was still underway at the time of agreeing these accounts, but the Trust was confident at least £290k could be saved through these initiatives.

2022/23 was a year of economic turmoil for the country and there were unforeseen costs, as a result of the high inflation and unforeseen staff negotiations during the year the Trust was around £500k worse than budget on its reserves for running education. Although some of these factors seem to be abating at the time of agreeing these accounts, there is still uncertainty on the economic outlook for the immediate future.

The Trust will continue to monitor the position carefully and look to find further savings, in the event that there is unforeseen expenditure, the Trust is mindful that it holds around £800k of reserves for capital works, which it would expect to be of a similar level in 12 months time. Although these are ring fenced for capital work, they boost the Trust's cash position which should prevent a situation where the Trust will run out of money and would allow time to take further remedial action.

On this basis the Trust is confident that there are adequate cash reserves and that it is appropriate to use the going concern basis for the preparation of the accounts.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

Donations

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

Other income

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

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Transfer on conversion

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

Tangible fixed assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives. Where an asset comprises of two or more components which have substantially different lives each component is depreciated separately over its useful economic life. The expected useful lives are as follows:

Land and buildings

Leasehold land	Straight line over 125 years
Main Fabric	Straight line over 100 years
Roof	Straight line over 70 years

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Windows & External Doors	Straight line over 30 years
Gas Boiler / Fires	Straight line over 15 years
Bathrooms	Straight line over 20 years
Kitchens	Straight line over 30 years
Mechanical Systems	Straight line over 30 years
Electrics	Straight line over 40 years

Freehold land is not depreciated. Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

Other fixed assets

Fixtures and fittings	Straight line over 5 years
Motor vehicles	Straight line over 7 years
Computer equipment	Straight line over 3 years

Certain leasehold property and land occupied by the academy trust is owned by Bath and Wells Diocese. The academy trust has been granted use of a number of school buildings from the Diocese under a selection of Supplemental Agreements. The school buildings are occupied, improved, extended and repaired by the academy trustees and the Diocese do not have control over the building until the academy trust ceases its occupation. Therefore the building meets the definition of an asset under FRS 102 'substance over form' concept and the building is included on the balance sheet of the academy trust on this basis. The ownership of the assets remains with the Diocese.

Leasehold land and buildings for new member schools joining the Academy Trust are valued internally by the Trustees by benchmarking the schools against publicly available valuations of schools in similar locations.

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.

Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Liabilities

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

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within charitable activities.

Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. Where the loan is repayable within one year, the loan is measured at cost, less impairment. Where the loan is repayable in more than one year, the loan is initially measured at the amount received and the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

Leased Assets

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

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. 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.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 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.

Fund accounting

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

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

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

Designated funds represent those unrestricted funds identified by the trustees as relating to specific purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(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.

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement and key sources of estimation

The most significant area of adjustment and key assumptions that affect items in the accounts are to do with estimating the value of land and buildings (see note 14 for more information). Likewise, this also represents, with respect to the next reporting period, the most significant area of uncertainty that affects the carrying value of assets held by the academy trust.

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds	Restricted funds	2023 Total funds	2022 Total funds
	£	£	£	£
Donations	148,469	-	148,469	99,830
Grants	-	1,497,224	1,497,224	1,105,608
	<u>148,469</u>	<u>1,497,224</u>	<u>1,645,693</u>	<u>1,205,438</u>

Grants received, included in the above, are as follows:

	2023 £	2022 £
Capital Grants	1,483,704	1,092,088
Local Authority Capital Grants	<u>13,520</u>	<u>13,520</u>
	<u>1,497,224</u>	<u>1,105,608</u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
DfE/ESFA grants				
General Annual Grant (GAG)	-	17,650,622	17,650,622	16,637,306
Other DfE/ESFA grants				
Pupil Premium	-	797,820	797,820	758,279
UIFSM	-	333,782	333,782	301,849
Rates grant	-	29,252	29,252	58,124
Teachers' Pay Grant	-	28,970	28,970	17,903
Teachers' Pension Grant	-	59,057	59,057	50,591
PE and Sport Premium	-	179,090	179,090	165,370
Supplementary grant	-	729,634	729,634	199,090
Other DfE/ESFA Grants	-	2,800	2,800	101,051
	-	19,811,027	19,811,027	18,289,563
Other Government grant				
Local Authority Revenue Grants	-	1,844,680	1,844,680	1,552,409
Other Grants	250	-	250	1,425
Other grants				
Exceptional government fundings				
Covid-19 Catch-up and Recovery Premium	-	117,322	117,322	86,039
Other DfE/ESFA Covid-19 Funding	-	62,010	62,010	109,403
Other non DfE/ESFA Covid-19 Funding	-	-	-	6,246
	250	2,024,012	2,024,262	1,755,522
Other income from the academy trust's educational operations	887,737	-	887,737	680,596
	<u>887,987</u>	<u>21,835,039</u>	<u>22,723,026</u>	<u>20,725,681</u>

The academy trust has been eligible to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The academy received £117,322 (2022: £86,039) of funding in the year and had unspent brought forward funding of £72,853 (2022: £42,482) in respect of Covid-19 Catch-up Premium and Recovery Grants. The costs incurred in respect of this funding totalled £133,802 (2022: £55,668), with £56,373 (2022: £78,253) remaining to be spent in 2023/24 (2022: 2022/23).

The academy also received other Covid impact related funding in the form of various grants totalling £62,010 (2022: £109,403) from DfE/ESFA sources and £nil (2022: £6,426) from non DfE/ESFA sources, and had unspent brought forward funding of £24,679. The costs incurred in respect of this funding totalled £59,736 (2022: £84,724) and £nil (2022: £6,426) respectively, with £26,953 (2022: £24,679) remaining to be spent in 2023/24 (2022: 2022/23).

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds	Restricted funds	2023 Total funds £	2022 Total funds £
Lettings	111,342	-	111,342	100,584
School Fund	84,241	-	84,241	83,316
Other income	<u>323,727</u>	<u>12,320</u>	<u>336,047</u>	<u>346,794</u>
	<u>519,310</u>	<u>12,320</u>	<u>531,630</u>	<u>530,694</u>

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	2023 Total funds £	2022 Total funds £
Short term deposits	<u>8,246</u>	<u>-</u>	<u>8,246</u>	<u>783</u>

6. EXPENDITURE

	Non-pay expenditure			2023	2022
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	90,031	-	140,201	230,232	325,907
Charitable activities					
Academy's educational operations					
Direct costs	15,614,030	643,673	1,987,006	18,244,709	16,061,008
Allocated support costs	<u>3,139,028</u>	<u>3,220,250</u>	<u>2,452,010</u>	<u>8,811,288</u>	<u>8,280,958</u>
	<u>18,843,089</u>	<u>3,863,923</u>	<u>4,579,217</u>	<u>27,286,229</u>	<u>24,667,873</u>

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Auditors' remuneration	16,591	19,800
Auditors' remuneration for non audit work	27,210	10,073
Depreciation - owned assets	761,681	773,103
Operating leases	<u>104,047</u>	<u>52,047</u>

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

7. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Staff costs	90,031	-	90,031	81,108
Other costs	<u>140,201</u>	<u>-</u>	<u>140,201</u>	<u>244,799</u>
	<u>230,232</u>	<u>-</u>	<u>230,232</u>	<u>325,907</u>

Costs incurred by trading for a fundraising purpose are those costs associated with income from other trading activities, such as lettings, school fund and other income such as funding received for teacher training. These costs include staff costs, educational activity and equipment costs, catering costs, external provider costs and various administration costs.

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Direct costs	1,707,567	16,537,142	18,244,709	16,061,008
Support costs	<u>511,520</u>	<u>8,299,768</u>	<u>8,811,288</u>	<u>8,280,958</u>
	<u>2,219,087</u>	<u>24,836,910</u>	<u>27,055,997</u>	<u>24,341,966</u>

Analysis of support costs

	2023 Total £	2022 Total £
Support staff costs	3,139,028	3,263,143
Depreciation	118,008	130,282
Technology costs	152,884	74,860
Premises costs	3,146,956	2,853,678
Legal costs - other	56,999	54,537
Other support costs	2,080,318	1,800,094
Governance costs	<u>117,095</u>	<u>104,364</u>
Total support costs	<u>8,811,288</u>	<u>8,280,958</u>

9. STAFF COSTS

	2023 £	2022 £
Wages and salaries	13,238,664	11,828,826
Social security costs	1,285,112	1,092,434
Operating costs of defined benefit pension schemes	<u>3,247,132</u>	<u>3,831,158</u>
	17,770,908	16,752,418
Supply teacher costs	<u>1,072,181</u>	<u>587,878</u>
	<u>18,843,089</u>	<u>17,340,296</u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

9. STAFF COSTS - continued

Staff numbers and higher paid staff

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	2023	2022
Teachers	225	204
Administration and support	326	310
Management	<u>15</u>	<u>15</u>
	<u>566</u>	<u>529</u>

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

	2023	2022
£60,001 - £70,000	8	9
£70,001 - £80,000	7	2
£80,001 - £90,000	2	-
£90,001 - £100,000	1	1
£120,000 - £130,000	<u>1</u>	<u>1</u>
	<u>19</u>	<u>13</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team, i.e. the Executive Team of the Palladian Academy Trust, as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,218,826 (2022: £1,196,488).

10. CENTRAL SERVICES

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

- human resources
- financial service
- legal service
- educational support services
- others as arising

The trust charges for these services on a percentage of GAG for each member school. During the year ended 31 August 2023 the charge was 7.4% (2022: 4%) of GAG. The actual amounts charged during the year were as follows:

	2023	2022
	£	£
Ralph Allen School	552,780	284,373
Combe Down Primary School	130,344	67,883
Fitzmaurice Primary School	95,628	47,652
Oldfield Park Infant School	54,588	30,435
Oldfield Park Junior School	79,848	41,466
St Martin's Gardens Primary School	73,908	38,344
St Philip's Primary School	89,772	46,700
Westwood With Iford Primary School	30,420	NIL
Widcombe Infant School	58,236	30,329
Widcombe Junior School	75,744	39,794
Winsley Primary School	<u>46,992</u>	<u>25,673</u>
	<u>1,288,260</u>	<u>652,649</u>

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

11. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The Chief Executive Officer and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff members under their contracts of employment. The value of trustees' remuneration was as follows:

D Tandy (Chief Executive Officer and Trustee)

Remuneration - £115,000 - £120,000 (2022: £115,000 - £120,000)

Employer's pension contributions - £20,000 - £25,000 (2022: £20,000 - £25,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £nil, including relocation expenses of £nil (2022: £5,271) were reimbursed to nil Trustees (2022: two). Related party transactions involving the Trustees are set out in note 23.

12. TRUSTEES' AND OFFICERS' INSURANCE

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

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted General funds £	Restricted Fixed Asset funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	99,830	-	1,105,608	1,205,438
Transfer from Local Authority on conversion	31,362	(157,494)	3,854,100	3,727,968
Charitable activities				
Funding for the academy's educational operations	682,021	20,043,660	-	20,725,681
Other trading activities	530,694	-	-	530,694
Investment income	783	-	-	783
Total	1,344,690	19,886,166	4,959,708	26,190,564
EXPENDITURE ON				
Raising funds	325,907	-	-	325,907
Charitable activities				
Academy's educational operations	919,705	21,311,991	2,110,270	24,341,966
Total	1,245,612	21,311,991	2,110,270	24,667,873
NET INCOME/(EXPENDITURE)	99,078	(1,425,825)	2,849,438	1,522,691
Transfers between funds	(42,917)	(77,773)	120,690	-
Other recognised gains/(losses)				
Actuarial gains on defined benefit schemes	-	10,869,000	-	10,869,000
Net movement in funds	56,161	9,365,402	2,970,128	12,391,691
RECONCILIATION OF FUNDS				
Total funds brought forward	1,704,618	(11,429,616)	68,281,291	58,556,293
TOTAL FUNDS CARRIED FORWARD	1,760,779	(2,064,214)	71,251,419	70,947,984

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Fixtures and fittings £
COST			
At 1 September 2022	28,965,204	45,669,200	1,014,549
Additions	-	-	18,967
Disposals	-	-	-
At 31 August 2023	<u>28,965,204</u>	<u>45,669,200</u>	<u>1,033,516</u>
DEPRECIATION			
At 1 September 2022	2,981,877	1,597,205	753,281
Charge for year	365,861	277,812	75,835
Eliminated on disposal	-	-	-
At 31 August 2023	<u>3,347,738</u>	<u>1,875,017</u>	<u>829,116</u>
NET BOOK VALUE			
At 31 August 2023	<u>25,617,466</u>	<u>43,794,183</u>	<u>204,400</u>
At 31 August 2022	<u>25,983,327</u>	<u>44,071,995</u>	<u>261,268</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2022	47,461	383,136	76,079,550
Additions	-	9,035	28,002
Disposals	-	(7,297)	(7,297)
At 31 August 2023	<u>47,461</u>	<u>384,874</u>	<u>76,100,255</u>
DEPRECIATION			
At 1 September 2022	24,944	324,802	5,682,109
Charge for year	4,913	37,260	761,681
Eliminated on disposal	-	(7,297)	(7,297)
At 31 August 2023	<u>29,857</u>	<u>354,765</u>	<u>6,436,493</u>
NET BOOK VALUE			
At 31 August 2023	<u>17,604</u>	<u>30,109</u>	<u>69,663,762</u>
At 31 August 2022	<u>22,517</u>	<u>58,334</u>	<u>70,397,441</u>

Included in freehold property and long leasehold property is land of £41,860,400 (2022: £41,860,400).

£9,568,793 (2022: £9,648,069) of the leasehold land and buildings is represented by the land and buildings owned by the Diocese of Bath and Wells. The Diocese of Bath and Wells own the freehold of the majority of land and building of Combe Down Primary School, Widcombe Junior School and St Philip's Primary School. The academy trust occupies this element of the site under a licence. The school buildings are occupied, improved, extended and repaired by the academy trustees and the Diocese do not have control over the building until the academy ceases its occupation. Therefore the building meets the definition of an asset under FRS 102 'substance over form' concept and the building is included on the balance sheet of the academy trust on this basis. The ownership of these assets remains with the Diocese. Land and buildings owned by the Diocese of Salisbury have not been included on the balance sheet of the academy trust as the academy trust does not have control over them.

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	42,305	5,627
Other debtors	396	396
VAT	549,326	470,007
Prepayments and accrued income	<u>1,021,615</u>	<u>835,885</u>
	<u>1,613,642</u>	<u>1,311,915</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other loans (see note 18)	26,539	38,930
Trade creditors	1,071,912	540,430
Social security and other taxes	293,726	258,914
Other creditors	364,517	312,383
Accruals and deferred income	<u>644,502</u>	<u>1,081,546</u>
	<u>2,401,196</u>	<u>2,232,203</u>

Deferred income

	2023	2022
	£	£
Resources deferred at 1 September 2022	334,754	240,121
Amounts released to incoming resources	(334,754)	(240,121)
Resources deferred in the year	<u>375,076</u>	<u>334,754</u>
Deferred income at 31 August 2023	<u>375,076</u>	<u>334,754</u>

At the balance sheet date the Academy Trust was holding funds received in advance in respect of trips organised through the school fund, universal infant free school meal grant, catering income, COMF grant, mental health grant and ESFA rates grants.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Other loans (see note 18)	<u>200,293</u>	<u>217,914</u>

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>26,539</u>	<u>38,930</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>26,539</u>	<u>28,228</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>79,617</u>	<u>84,686</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans - more than 5 years	94,137	105,000

Other loans relate to:

- concessionary loans, which are ESFA approved Salix loans. No interest is payable on these loans.
- a Capital Improvement Fund (CIF) loan for £210,000 received during 2020 towards a capital project on which interest is payable at 1.85%

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

			2023	
	Unrestricted funds £	Restricted General funds £	Restricted Fixed Asset funds £	Total funds £
Fixed assets	-	-	69,663,762	69,663,762
Current assets	3,194,125	269,126	861,826	4,325,077
Current liabilities	(2,401,196)	-	-	(2,401,196)
Long term liabilities	(200,293)	-	-	(200,293)
Pension liability	-	(1,371,000)	-	(1,371,000)
	<u>592,636</u>	<u>(1,101,874)</u>	<u>70,525,588</u>	<u>70,016,350</u>

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

			2022	
	Unrestricted funds £	Restricted General funds £	Restricted Fixed Asset funds £	Total funds £
Fixed assets	-	-	70,397,441	70,397,441
Current assets	1,879,181	2,542,820	1,273,659	5,695,660
Current liabilities	(118,402)	(1,694,120)	(419,681)	(2,232,203)
Long term liabilities	-	(217,914)	-	(217,914)
Pension liability	-	(2,695,000)	-	(2,695,000)
	<u>1,760,779</u>	<u>(2,064,214)</u>	<u>71,251,419</u>	<u>70,947,984</u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

20. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	Transfers between funds £	At 31.8.23 £
Restricted general funds				
General Annual Grant (GAG)	463,122	(297,479)	(7,026)	158,617
Other DfE/ESFA Grants	74,058	(74,058)	-	-
Pupil Premium	118,811	(118,811)	-	-
PE and Sport Premium	24,022	(18,625)	5,016	10,413
Local Authority Grants	110,085	(93,315)	-	16,770
ESFA Salix Loans	(256,844)	-	256,844	-
Covid-19 Catch-up and Recovery Premium	72,853	(16,480)	-	56,373
Other DfE/ESFA Covid-19 Funding	24,679	2,274	-	26,953
Pension Reserve	(2,695,000)	1,324,000	-	(1,371,000)
	<u>(2,064,214)</u>	<u>707,506</u>	<u>254,834</u>	<u>(1,101,874)</u>
Restricted fixed asset funds				
Fixed Asset Fund	<u>71,251,419</u>	<u>(753,833)</u>	<u>28,002</u>	<u>70,525,588</u>
Total restricted funds	<u>69,187,205</u>	<u>(46,327)</u>	<u>282,836</u>	<u>69,423,714</u>
Unrestricted funds				
Other unrestricted	1,380,830	(928,596)	(282,836)	169,398
School Fund	<u>379,949</u>	<u>43,289</u>	<u>-</u>	<u>423,238</u>
	<u>1,760,779</u>	<u>(885,307)</u>	<u>(282,836)</u>	<u>- 592,636</u>
TOTAL FUNDS	<u>70,947,984</u>	<u>(931,634)</u>	<u>-</u>	<u>70,016,350</u>

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	17,650,622	(17,948,101)	-	(297,479)
Other DfE/ESFA Grants	2,800	(76,858)	-	(74,058)
Pupil Premium	797,820	(916,631)	-	(118,811)
UIFSM	333,782	(333,782)	-	-
Rates Grant	29,252	(29,252)	-	-
PE and Sport Premium	179,090	(197,715)	-	(18,625)
Teachers' Pay Grant	28,970	(28,970)	-	-
Teachers' Pension Grant	59,057	(59,057)	-	-
Local Authority Grants	1,857,000	(1,950,315)	-	(93,315)
Supplementary Grant	729,634	(729,634)	-	-
Covid-19 Catch-up and Recovery Premium	117,322	(133,802)	-	(16,480)
Other DfE/ESFA, Covid-19 Funding	62,010	(59,736)	-	2,274
Pension Reserve	-	(122,000)	1,446,000	1,324,000
	<u>21,847,359</u>	<u>(22,585,853)</u>	<u>1,446,000</u>	<u>707,506</u>
Restricted fixed asset funds				
Fixed Asset Fund	<u>1,497,224</u>	<u>(2,251,057)</u>	<u>-</u>	<u>(753,833)</u>
Total restricted funds	<u>23,344,583</u>	<u>(24,836,910)</u>	<u>1,446,000</u>	<u>(46,327)</u>
Unrestricted funds				
Other unrestricted	882,230	(1,810,826)	-	(928,596)
School Fund	<u>681,782</u>	<u>(638,493)</u>	<u>-</u>	<u>43,289</u>
	<u>1,564,012</u>	<u>(2,449,319)</u>	<u>-</u>	<u>(885,307)</u>
TOTAL FUNDS	<u>24,908,595</u>	<u>(27,286,229)</u>	<u>1,446,000</u>	<u>(931,634)</u>

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

20. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Restricted general funds				
General Annual Grant (GAG)	705,860	(173,166)	(69,572)	463,122
Other DfE/ESFA Grants	59,168	33,793	(18,903)	74,058
Pupil Premium	75,607	43,204	-	118,811
PE and Sport Premium	39,821	(15,799)	-	24,022
Local Authority Grants	36,992	73,093	-	110,085
ESFA Salix Loans	(267,546)	-	10,702	(256,844)
Covid-19 Catch-up and Recovery Premium	42,482	30,371	-	72,853
Other DfE/ESFA Covid-19 Funding	-	24,679	-	24,679
Pension Reserve	(12,122,000)	9,427,000	-	(2,695,000)
	<u>(11,429,616)</u>	<u>9,443,175</u>	<u>(77,773)</u>	<u>(2,064,214)</u>
Restricted fixed asset funds				
Capital Maintenance Grants	9,234	(9,234)	-	-
Fixed Asset Fund	<u>68,272,057</u>	<u>2,858,672</u>	<u>120,690</u>	<u>71,251,419</u>
	<u>68,281,291</u>	<u>2,849,438</u>	<u>120,690</u>	<u>71,251,419</u>
Total restricted funds	<u>56,851,675</u>	<u>12,292,613</u>	<u>42,917</u>	<u>69,187,205</u>
Unrestricted funds				
Other unrestricted	1,315,755	65,075	-	1,380,830
School Fund	<u>388,863</u>	<u>34,003</u>	<u>(42,917)</u>	<u>379,949</u>
	<u>1,704,618</u>	<u>99,078</u>	<u>(42,917)</u>	<u>1,760,779</u>
TOTAL FUNDS	<u>58,556,293</u>	<u>12,391,691</u>	<u>-</u>	<u>70,947,984</u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

20. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	16,637,306	(16,810,472)	-	(173,166)
Other DfE/ESFA Grants	117,557	(83,764)	-	33,793
Pupil Premium	758,279	(715,075)	-	43,204
UIFSM	301,849	(301,849)	-	-
Rates Grant	58,124	(58,124)	-	-
PE and Sport Premium	165,370	(181,169)	-	(15,799)
Teachers' Pay Grant	17,903	(17,903)	-	-
Teachers' Pension Grant	50,591	(50,591)	-	-
Local Authority Grants	1,552,409	(1,479,316)	-	73,093
Supplementary Grant	199,090	(199,090)	-	-
Covid-19 Catch-up and Recovery Premium	86,039	(55,668)	-	30,371
Other DfE/ESFA Covid-19 Funding	109,403	(84,724)	-	24,679
Other Non-DfE/ESFA Covid-19 funding	6,246	(6,246)	-	-
Pension Reserve	(174,000)	(1,268,000)	10,869,000	9,427,000
	<u>19,886,166</u>	<u>(21,311,991)</u>	<u>10,869,000</u>	<u>9,443,175</u>
Restricted fixed asset funds				
Capital Maintenance Grants	-	(9,234)	-	(9,234)
Fixed Asset Fund	4,959,708	(2,101,036)	-	2,858,672
	<u>4,959,708</u>	<u>(2,110,270)</u>	<u>-</u>	<u>2,849,438</u>
Total restricted funds	<u>24,845,874</u>	<u>(23,422,261)</u>	<u>10,869,000</u>	<u>12,292,613</u>
Unrestricted funds				
Other unrestricted	927,864	(862,789)	-	65,075
School Fund	416,826	(382,823)	-	34,003
	<u>1,344,690</u>	<u>(1,245,612)</u>	<u>-</u>	<u>99,078</u>
TOTAL FUNDS	<u>26,190,564</u>	<u>(24,667,873)</u>	<u>10,869,000</u>	<u>12,391,691</u>

Restricted Funds

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

General Annual Grant (GAG) - Relates to the funding provided to the Academy by the DfE and expenditure incurred by the Academy spent in line with the terms of the Funding Agreement.

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

Capital Maintenance Grants - Relates to funding provided to the academy by the ESFA in relation to specific capital maintenance projects.

Other DfE/ESFA Grants, Pupil Premium, UIFSM, PE and Sport Premium, Teachers' Pay Grant, Teachers' Pension Grant and Supplementary Grant - Relates to additional government funding received in the period to be used on specific purposes.

Local Authority Grants - Relates to additional funding received in the period to be used on specific purposes from local authorities

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

20. MOVEMENT IN FUNDS - continued

Covid-19 Catch Up and Recovery Premium, Other DfE/ESFA Covid-19 funding, Other Non-DfE/ESFA Covid-19 funding and Coronavirus Job Retention Scheme Grant - Relates to additional funding received in the year from both the DfE/ESFA and other sources to contribute towards additional costs incurred as a result of the Covid-19 pandemic and the furlough scheme.

Pension reserve - Relates to the academy trust's local government pension scheme liability.

ESFA loans - A restricted fund reflecting the balances due on ESFA Salix loans and CIF loans received by the academy trust. The deficit on this fund will be reduced over time as loan repayments are made in accordance with the loan agreements and repayment schedules.

Fixed Asset Fund - This equates to the net book value of fixed assets held by the academy trust plus any unspent capital grants less any accrued capital expenditure.

Designated funds

School fund - This is a separate fund maintained by the academy trust through which various school trips, extra curricular activities, charitable fundraising and other items and associated costs are managed.

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2023 were allocated as follows:

	Total 2023 £	Total 2022 £
Combe Down Primary School	134,087	287,308
Fitzmaurice Primary School	90,328	287,518
Oldfield Park Infant School	15,073	198,356
Oldfield Park Junior School	40,027	90,266
Ralph Allen School	94,120	638,245
St Martin's Garden Primary School	66,692	280,566
St Philip's Primary School	-	74,188
Westwood With Iford Primary School	25,463	70,472
Widcombe Infant School	21,202	75,889
Widcombe Junior School	145,066	305,984
Winsley Primary School	3,923	(9,800)
Central services	225,781	92,573
Total before fixed asset and pension reserve	861,762	2,391,565
Restricted fixed asset fund and capital maintenance fund	70,525,588	71,251,419
Pension reserve	(1,371,000)	(2,695,000)
Total	70,016,350	70,947,984

The end of year deficit for Winsley Primary School in the prior was an expected deficit and there was a budget plan in place to eliminate this moving forwards as part of an Executive Head arrangement with Widcombe Junior School.

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

20. MOVEMENT IN FUNDS - continued

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £
Ralph Allen School	5,754,868	1,207,521	197,128
Combe Down Primary School	1,561,957	212,438	34,798
Fitzmaurice Primary School	1,045,510	113,978	23,187
Oldfield Park Infant School	687,834	127,168	28,128
Oldfield Park Junior School	1,043,703	137,876	42,858
St Martin's Garden Primary School	1,092,482	542,088	83,889
St Philip's Primary School	1,083,155	181,299	34,439
Westwood With Iford Primary School	317,745	73,170	18,282
Widcombe Infant School	724,108	58,867	12,149
Widcombe Junior School	810,925	118,953	22,503
Winsley Primary School	709,457	83,587	19,474
Central Services	490,512	664,890	19,731
Total	15,322,254	3,521,835	536,564

	Other Costs (excluding depreciation and LGPS movement) £	Total 2023 £	Total 2022 £
Ralph Allen School	2,470,013	9,629,530	8,385,733
Combe Down Primary School	445,087	2,254,280	1,961,775
Fitzmaurice Primary School	422,766	1,605,441	1,558,229
Oldfield Park Infant School	220,227	1,559,385	960,989
Oldfield Park Junior School	334,948	1,559,385	1,408,121
St Martin's Garden Primary School	1,235,473	2,953,933	1,947,659
St Philip's Primary School	358,837	1,657,729	1,447,518
Westwood With Iford Primary School	138,934	548,131	61,318
Widcombe Infant School	203,654	998,777	941,210
Widcombe Junior School	289,671	1,242,052	1,149,481
Winsley Primary School	210,039	1,022,557	876,174
Central Services	692,242	1,867,375	1,926,089
Total	7,021,891	26,402,545	22,624,296

Transfers between funds

Transfers of £22,986 and £5,016 were made during the year to reflect capital expenditure from GAG and PE and Sport Premium grants funds respectively.

Transfers of £10,702 and £19,310 from GAG funds to reflect a year's repayment of ESFA Salix loans and ESFA CIF loans respectively were also made during the year.

The closing balance of the ESFA loan funds was transferred into general unrestricted in the year.

Prior year fund transfers

Transfers of £58,870, £18,903 and £42,917 were made during the prior year to reflect capital expenditure from GAG, other DfE/ESFA grants and School Fund funds respectively.

Transfers of £10,702 from GAG funds to reflect a year's repayment of ESFA Salix loans were also made during the prior year.

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

21. PENSION AND SIMILAR OBLIGATIONS

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

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

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

Teachers' pension scheme

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

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

Valuation of the teachers' pension scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £1,991,761 (2022: £1,760,716).

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

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,580,000 (2022: £1,333,000), of which employer's contributions totalled £1,284,000 (2022: £1,077,000) and employees' contributions totalled £296,000 (2022: £256,000). The agreed contribution rates for future years are between 25.14 percent and 28 percent for employers and between 5.5 percent and 12.5 percent 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.

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

21. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Present value of funded obligations	(13,842,400)	(13,859,000)
Fair value of plan assets	<u>12,471,400</u>	<u>11,164,000</u>
	(1,371,000)	(2,695,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Deficit	<u>(1,371,000)</u>	<u>(2,695,000)</u>
Net liability	<u><u>(1,371,000)</u></u>	<u><u>(2,695,000)</u></u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	1,252,000	2,116,000
Net interest from net defined benefit asset/liability	123,000	203,000
Past service cost	-	-
Administration expenses	<u>31,000</u>	<u>26,000</u>
	<u>1,406,000</u>	<u>2,345,000</u>
Actual return on plan assets	<u><u>(85,000)</u></u>	<u><u>(627,000)</u></u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	13,811,400	22,573,000
Current service cost	1,252,000	2,116,000
Contributions by scheme participants	296,000	256,000
Interest cost	628,000	397,000
Benefits paid	(109,000)	(88,000)
Business combinations	-	295,000
Remeasurements:		
Actuarial (gains)/losses from changes in financial assumptions	(4,412,000)	(11,690,000)
Other experience adjustment	<u>2,376,000</u>	<u>-</u>
	<u><u>13,842,400</u></u>	<u><u>13,859,000</u></u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

21. PENSION AND SIMILAR OBLIGATIONS - continued

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	11,116,400	10,451,000
Contributions by employer	1,284,000	1,077,000
Contributions by scheme participants	296,000	256,000
Expected return	505,000	194,000
Actuarial gains/(losses)	(590,000)	(821,000)
Benefits paid	(109,000)	(88,000)
Business combinations	-	121,000
Administration expenses	(31,000)	(26,000)
	<u>12,471,400</u>	<u>11,164,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial (gains)/losses from changes in financial assumptions	4,412,000	11,690,000
Other experience adjustment	(2,376,000)	-
Remeasurements (assets)	(590,000)	(821,000)
	<u>1,446,000</u>	<u>10,869,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
Equities	34.28%	39.63%
Government bonds	18.41%	12.81%
Other bonds	5.57%	4.07%
Property	6.86%	7.65%
Cash / liquidity	3.79%	2.63%
Other	<u>31.09%</u>	<u>33.21%</u>
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
Discount rate	5.25%	4.25%
Future salary increases	3.85%	3.85%
Future pension increases	2.85%	2.85%
CPI inflation	2.85%	2.85%

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

Retiring today		
Males	21.9	22.5
Females	24	24.7
Retiring in 20 years		
Males	22.8	23.4
Females	25.5	26.1

Palladian Academy Trust

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

21. PENSION AND SIMILAR OBLIGATIONS - continued

Sensitivity analysis

	2023	2022
	£	£
Discount rate +0.1%	(303)	(301)
Discount rate -0.1%	311	309
Mortality assumption - 1 year increase	299	327
Mortality assumption - 1 year decrease	(272)	(295)
CPI rate +0.1%	309	279
CPI rate -0.1%	(301)	(272)

22. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	83,662	50,032
Between one and five years	<u>68,485</u>	<u>75,295</u>
	<u>152,147</u>	<u>125,327</u>

23. RELATED PARTY DISCLOSURES

No related party transactions took place in the period of account.

24. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£	£
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(2,377,634)	1,522,691
Adjustments for:		
Depreciation charges	761,681	773,102
Capital grants from DfE/ESFA	(1,483,704)	(1,092,088)
Transfer from Local Authority on conversion	-	(3,727,968)
Interest received	(8,246)	(783)
Interest paid	-	2,196
DB pension scheme cost less contribution	(32,000)	1,039,000
DB pension scheme cost finance cost	154,000	229,000
Increase in debtors	(301,727)	(34,679)
Increase in creditors	<u>181,384</u>	<u>625,645</u>
Net cash used in operations	<u>(3,106,246)</u>	<u>(663,884)</u>

25. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22	Cash flow	At 31.8.23
	£	£	£
Net cash			
Cash at bank and in hand	<u>4,383,745</u>	<u>(1,672,310)</u>	<u>2,711,435</u>
	<u>4,383,745</u>	<u>(1,672,310)</u>	<u>2,711,435</u>
Debt			
Debts falling due within 1 year	(38,930)	12,391	(26,539)
Debts falling due after 1 year	<u>(217,914)</u>	<u>17,621</u>	<u>(200,293)</u>
	<u>(256,844)</u>	<u>30,012</u>	<u>(226,832)</u>
Total	<u>4,126,901</u>	<u>(1,642,298)</u>	<u>2,484,603</u>

Palladian Academy Trust

Notes to the Financial Statements - continued
for the Year Ended 31 August 2023

26. CONVERSION TO AN ACADEMY

In the prior year, on 1 July 2022 Westwood with Iford Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Palladian Academy Trust from Wiltshire Unitary Authority for £nil consideration.

The transfer was accounted for as a combination that was in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain / loss in the Statement of Financial Activities as donations- transfer from local authority on conversion.

In total the transfer on conversion figure in the prior year was a £3,727,968 donation.