

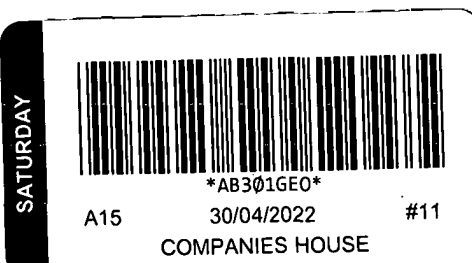
Company Registration Number: 08359584 (England & Wales)

**PRESTON MANOR ACADEMY TRUST**

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2021**



**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**CONTENTS**

	Page
Reference and administrative details	1 - 2
Trustees' report	3 -12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of Trustees' responsibilities	18
Independent auditors' report on the financial statements	19 - 22
Independent reporting accountant's report on regularity	23 - 24
Statement of financial activities incorporating income and expenditure account	25
Balance sheet	26 - 27
Statement of cash flows	28
Notes to the financial statements	29 - 50

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Members**

E Counsell (resigned 8 February 2021)

B Kobel (resigned 8 February 2021)

D Palmer

A Braganza (appointed 8 February 2021)

P Fanning (appointed 8 February 2021)

**Trustees**

D Palmer, Chair of Trustees, Community Trustee

J Bach, Vice Chair, Partnership Trustee

E Counsell, Vice Chair, Co-opted Trustee

V Luthra, Partnership Trustee

K Patel, Partnership Trustee

D Sloan, Partnership Trustee (Sabbatical from 1 September 2021)

S Lawrence, Community Trustee

S Nasrabadi, Staff Trustee

L Paul, Teacher Trustee (resigned 31 August 2021)

S Eismann, Co-opted Trustee (resigned 31 August 2021)

R Gulati, Co-opted Trustee

A Meghji, Co-opted Trustee (appointed 31 September 2021)

S Pramanik, Co-opted Trustee (appointed 13 September 2021)

S Tahir, Co-opted Trustee

S Venables, Co-opted Trustee

J Frater, LA Trustee

A Chavan, Parent Trustee

C Denton, Parent Trustee (resigned 17 December 2020)

N Minar, Parent Trustee

B Kobel, Headteacher and Accounting Officer (resigned 31 August 2021)

R Denial, Executive Headteacher and Accounting Officer (appointed 1 September 2021)

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Senior Management Team**

B Kobel, Headteacher and Accounting Officer (resigned 31 August 2021)

R Denial, Executive Headteacher and Accounting Officer (appointed 1 September 2021)

N Kampta, Director of Finance & Operations and Chief Financial Officer

**Upper School**

S Taylor, Head of Upper School

G Brougham, Deputy Head

E Clarke, Deputy Head

Z Dale, Assistant Head

S Dareve, Assistant Head

H Jones, Assistant Head (19 February 2021)

T Sooknanan, Assistant Head (appointed 19 April 2021)

J Surani, Assistant Head

D Tully, Assistant Head

A Ward, Assistant Head

**Lower School**

K Atkinson, Head of Lower School

Q Siddique, Deputy head

D McLoughlin, Assistant Head

S Solanki, Assistant Head

**Company Name**

Preston Manor Academy Trust

**Registered Office**

Preston Manor School, Carlton Avenue East, Wembley, Middlesex, HA9 8NA

**Company Registration Number**

08359584

**Independent Auditor**

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

**Bankers**

HSBC Bank PLC, Wembley, HA0 2DB

**Solicitors**

Druces LLP, Salisbury House, London Wall, London, EC2M 5PS

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 4 to 18 serving a catchment area in the London Borough of Brent. It has a pupil capacity of 1980 and had a roll of 1928 in the school census on January 2021.

**Structure, Governance and Management**

**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Preston Manor Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Preston Manor School.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on the preceding pages of this document.

**Members' Liability**

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

**Trustees' Indemnities**

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy.

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

The management of the academy is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- the executive headteacher
- parent trustees (minimum of two), elected by parents
- co-opted trustees
- community trustees
- partnership trustees
- local authority trustees
- staff trustees appointed by the members, provided that the maximum number of staff trustees does not exceed one third of the total number of trustees
- any trustees appointed by the Secretary of State for Education
- 

The term of office for any trustee is 4 years. The Executive Headteacher's term of office runs parallel with their term of appointment. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

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

The training and induction provided for new trustees will depend on their individual experience and expertise. Where necessary an induction will provide training on charity and educational, legal and financial matters. All new trustees are given a tour of the academy and the chance to meet with staff and students. All governors are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will need to understand their role as trustees and directors of the academy.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, Governance and Management (continued)**

**Organisational Structure**

The academy has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executives who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the academy and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control, responsibilities, standing orders, a scheme of delegation and terms of reference. The Executive Headteacher is directly responsible for the day to day running of the academy and is assisted by a senior leadership team.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the academy by use of budgets and making major decisions about the direction of the academy, including capital expenditure and senior staff appointments.

The Executive Head assumes the accounting officer role.

**Arrangements for setting Pay and Remuneration of Key Management Personnel**

The Board has delegated the arrangement for setting the pay and remuneration for executive directors and senior management to the Pay Committee whose members comprise of three trustees. This committee reviews the performance of the executive directors and ensures that succession planning is in line with the plans of the Trust.

The Trust scheme of delegation sets out the responsibility for pay increases for all staff to the Pay Committee.

**Trade Union Facility Time**

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	4.8

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	
1% - 50%	5
51% - 99%	
100%	

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

Provide the total cost of facility time	£5,346
Provide the total pay bill	£10,672,816
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.05%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:  (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	25%
--	-----

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Structure, Governance and Management (continued)**

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

The academy is the founding member of Preston Manor Academy Trust which is a separate Trust where Preston Manor School is the only member. The Trust undertakes educational support activities.

**Objectives and Activities**

**Objects and Aims**

The principal object and activity of the academy is the operation of Preston Manor School to provide a broad and balanced education for pupils of all abilities in the Brent area. The governors have referred to the guidance issued by the Charity Commission in respect of public benefit when reviewing the aims and objectives of the academy.

In accordance with the articles of association, the academy has adopted a "Scheme of Government" approved by the Secretary of State for Education.

The Scheme of Government specifies, amongst other things, that the academy will be at the heart of the community promoting community cohesion and sharing facilities; the basis for admitting students to the Trust, that the curriculum should be broad and balanced; there will be an emphasis on the needs of individual pupils including pupils with SEN; the basis for charging pupils.

**Objectives, Strategies and Activities**

The academy has undertaken self-evaluation activities to correctly identify objectives for the next year. These objectives are:

- To develop more effective relationships between all stakeholders to positively impact on the ethos of the academy and behaviour of pupils within the academy.
- The academy seeks to develop its approach to creativity & engagement so that this positively impacts on the quality of teaching and learning in the school.
- The academy will strengthen its accountability structure through a review of the effectiveness of leadership and management. It will achieve this through developing a more effective appraisal framework.
- Achieve consistently high standards of teaching and learning.
- Provide local leadership capacity and support.
- Develop cost effective curriculum design and collaboration which optimises opportunities for pupils and students and provides added value progress for them.
- Achieve best value in service delivery especially where partnership working can add value.
- The Academy's main strategy is encompassed in the Academy's Aims, which are to develop students who are:
  - Active Citizens
  - Prepared for their future
  - Happy, healthy and safe
  - Caring individuals
  - Responsible learners

The Academy's vision is to build an ethos of:

- Every child is capable of extraordinary achievement.
- For any child to realise their inner potential they need an environment and adult role models that support their love and enjoyment of learning.
- Every child has an absolute right to an equal opportunity to flourish in the academy.
- Our pupils will develop the skills, knowledge and attitudes to realise their own dreams through a positive contribution to their community and wider society.
- Self-realisation and positive contribution stem from a confidence and strength in one's own identity that allows us to embrace and respect the identity of other individuals and groups in our community and wider society.
- The long-term well-being of our pupils is dependent on a sustainable economy, society and environment. We need to teach our children to be able to contribute to achieving that sustainability as adults.
- It is the responsibility of all of the adult staff in Preston Manor School to remove the barriers to each individual child's development and create the conditions in which they are able to love and enjoy learning.
- It is the responsibility of Preston Manor School to reach out and raise and support the aspiration of their community to believe in their children's potential.

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Objectives and Activities (continued)**

The main activities for achieving objectives the academy will undertake will be:

- Developing a new teaching and learning policy and implementing this effectively.
- The academy will review and develop its curriculum provision to enhance creativity and engagement.
- The accountability of the academy will be strengthened by the development of new policies and procedures and implementation of a new self-evaluation framework.
- Active Citizens
  - Participate in a range of community activities.
  - Have opportunities for leadership in all Key Stages of their time at the school.
  - Create cultural social and economic links with the local and wider communities.
  - Understand the importance of and contribute to student voice activities.
  - Demonstrate local, national and global social awareness.
  - Demonstrate environmental awareness in school and wider communities.
  - Understand democracy and the importance of voting.
  - Understand that in any society there are limits to individual freedom for the wellbeing of the society as a whole.
- Prepared for their future
  - Develop the ability to adapt to change.
  - Develop a broad range of transferable skills.
  - Develop a broad knowledge of the world of work
  - Have real experience of the next Key Stage before making their choices of subjects to study.
  - Have a broad knowledge of post school options to make informed choices.
  - Develop life skills and academic and personal independence.
  - Understand the economic realities of their and others lives and ways to manage financial responsibilities.
- Happy, Healthy and Safe
  - Understand the importance of healthy eating for physical and mental wellbeing.
  - Understanding the importance of exercise for physical and mental wellbeing.
  - Act on awareness of healthy lifestyle choices.
  - Take advantage of and enjoy a range of extra-curricular activities.
  - Develop a knowledge of health issues, including sexual, mental and drug related, to enable informed decisions and choices.
  - Safely enjoy new technologies, experiences and environments.
- Caring Individuals
  - Respect everyone and welcome differences.
  - Be aware of the consequences of our actions, however small, for ourselves and others.
  - Provide social and academic support for all members of our community.
  - Learn to be good listeners and communicators.
  - Respect other's opinions and beliefs.
  - Respect oneself.
- Responsible Learners
  - Recognise that making mistakes is a key part of successful learning and develop perseverance.
  - Enjoy and cultivate a positive approach to, and accept responsibility for their learning.
  - Be able to and enjoy applying knowledge & understanding to a wide range of situations.
  - Work successfully in teams and as individuals.
  - Supported to take responsibility to achieve beyond their potential.
  - Reflect on both achievements and setbacks and learn from their experiences.
  - Think and learn creatively.

The Academy's Aims are being reviewed and edited in the autumn term of 2021.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Objectives and Activities (continued)**

**Public Benefit**

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

As an academy we make the best use of our skills, expertise and experience with regards to the community. Some examples of this are:

- Raising money for local, national and international charities such as:
  - Wateraid
  - NSPCC
  - Unicef

**Strategic Report - Achievements and Performance**

Preston Manor School opened as a converter academy in February 2013. In June 2016 Ofsted judged the school's overall effectiveness as Good.

It has a pupil capacity of 1980 and had a roll of 1928 in the school Census in January 2021

**Key Performance Indicators**

**Upper School:-**

In 2021, as with every other school across the national Teacher Assessment Grades (TAGs) were used to award Y11 and Y13 students with their grades.

Through an extremely robust assessment and then moderation process, our submitted grades were accepted by the examination boards, with no requests made for further information or evidence to support the grades submitted.

In Key Stage 4, the grades awarded were in line with 2019 results (last year of formal examinations), with some measures being slightly above (see table below). This continues our **sustained upward trend** in Progress 8 score (estimated +0.6 for 2021) and maintains our 'well above national average' status for progress. There was a drop in one measure from last year, which was progress in English.

Attainment measures were in line with 2019 results and slightly below 2020 TAGs. Historical gaps in attainment and progress continue with boys, HPADs, SEN lagged behind the school average but above national averages.

Our Ebacc entry figures in Key Stage 4 are also well above national averages (68.5%) for the past four years and outcomes are also well above National Averages. Progress in the Ebacc bucket (english, maths, science, history, geography, MFL, computer science) were significantly above 2019 national averages and matched our record high results in 2018. This was also the case in the open bucket (subjects other than Ebacc subjects).

In Key Stage 5 the 2021 TAGs were well above the national average and significantly above the 2020 TAGs. Overall Level 3 Value added was +0.47, with applied general subjects at +0.46. This places the school in the top 10 % of schools who use ALPs. There was a significant rise from 2020 in A\*-A grades (increase of 7.3%), which for the second year running put the school above national average for A\*-A grades. A\*-B grades continue to be above the 2019 national average for the second year running.

There is no difference in progress between the disadvantaged and non-disadvantaged in the academic qualifications however they lag behind in the applied general qualifications.

Computer Studies, Spanish, Further Maths and Physics were the subjects with the highest progress in 2021.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

Strategic Report (continued)

**Key Stage 4**

	2017			2018			2019			2020			2021		
	Actual	Nat	Diff	Actual	Nat	Diff	Actual	Nat	Diff	Actual	Nat	Diff	Actual	Nat	Diff
Progress 8	0.2	0	0.2	0.7	0	0.7	0.4	0	0.4	0.6	0	0.6	0.6	0	0.6
Attainment 8	46	46.3	1.7	53.5	46.5	7	48.8	46.7	2.1	51.8	46.7	5.1	51.0	46.7	4.3
Grade 5/C or above in English and Maths	47%	43%	4%	56%	43%	13%	49%	43%	6%	53%	43%	10%	51%	43%	8%
Grade 4/C or above in English and Maths	67%	64%	3%	78%	64%	14%	72%	65%	7%	77%	65%	12%	74%	65%	9%
Entering Ebacc	58%	38%	20%	83%	38%	45%	81%	40%	41%	74%	40%	34%	69%	40%	29%
Ebacc/Ebacc APS	38%	21%	17%	5.1	4.04	1.06	4.64	4.06	0.58	4.68	4.06	0.62	4.80	4.06	0.74
Cohort	238			240			243			246			246		

PLEASE NOTE: The DfE will not be publishing any national data for 2020 and 2021, therefore 2020 and 2021 results have been compared with 2019 nationals in this table.  
Nat = all state-funded schools in England.

**Key Stage 5**

	2017	2018	2019	2020	CAG	National 2019
<b>Academic Cohort</b>						
L3VA	0.02	0.14	0.02	0.02	0.07	-0.02
ALPS	5	6	8			
Avg Grade	C	C+	C	B-	B	C+
A*				16.1%	16.1%	7.9%
A*-A%				36.4%	36.4%	25.8%
A*-B%		56%		56.7%	56.7%	51.6%
A*-C%		65%		61.2%	61.2%	75.7%
<b>Applied General Cohort</b>						
L3VA		0.1	0.05	0.1	0.06	0.01
Avg Grade	-	Merit	Merit	Dist-	Dist-	Merit+
<b>Disadvantaged</b>						
	2017	2018	2019	2020	CAG	National 2019
<b>Academic Cohort</b>						
L3VA	-0.03	*0.25	-0.05	0.19	0.07	-0.12
Avg Grade	C	C	D+	B-	B	C
<b>Applied General Cohort</b>						
L3VA	-0.11	-0.05	0.05	0.17	0.04	-0.04
Avg Grade	-	Merit-	Merit-	Dist-	Merit+	Merit+

**School Absence Data (Whole School)**

	2020-21
Authorised	4.9%
Unauthorised	3.1%
Total	8.0%

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Strategic Report (continued)**

**Lower School:-**

Outcomes for children in year 6 for the 2020/21 academic year are predicted results due to the national Covid-19 lockdown between January and March for most school children and the DfE cancelling national SATs for the 2020/21 academic year.

Year 6 predicted outcomes would have been below 2018/19 National outcomes for Reading (3%), Writing (13%) and Maths (12%) and combined Reading, Writing and Maths (10%).

Predicted outcomes for year 2 children would have been below 2018/19 National outcomes for Reading (9%), Writing (7%), Maths (4%) and combined Reading, Writing and Maths (8%).

**Disadvantaged Children Performance Analysis:**

In KS2, our disadvantaged children would have outperformed national disadvantaged children in the Reading outcomes. They are in line with national outcomes for combined Reading, Writing and Maths. Our disadvantaged children would have performed lower than disadvantaged children nationally in maths (6%) and writing (6%). Our school gap between Disadvantaged and Non Disadvantaged children is smaller than the national gap in all areas.

I have used 2018/19 national disadvantaged figures as at the time of completing this data. Data was taken from Perspective Lite Data Package.

In Key Stage 1, our disadvantaged children would have outperformed national disadvantaged children in Reading, Writing and Maths. Our school gap between Disadvantaged and Non Disadvantaged children is smaller than the national gap in Reading, Writing and Maths.

Data was taken from Perspective Lite Data Package.

Overall attendance for the 2020/2021 academic year from Sept - July was 95%. Overall PP attendance for the 2020/2021 academic year was 94%. This is above National expectations for attendance.

**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.

**Strategic Report - Financial Review**

**Finance Review**

Most of the Academy's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

**Reserves Policy**

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- permanent endowment funds
- expendable endowment funds
- restricted income funds
- any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use
- 

Reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered its other planned expenditure. More specifically 'reserves' are income which becomes available to the Academy and is to be spent at the Trustees' discretion in furtherance of any of the Academy's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed or designated (i.e. is 'free')

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Strategic Report (continued)**

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Academy.

Total reserves at the end of the period amounted to £2,448,851 (2020: £2,705,335). This balance includes unrestricted funds (free reserves) of £472,707 (2020: £469,516), which are considered appropriate for the Academy Trust, and restricted funds of £1,976,144 (2020: £2,235,819) and a pension deficit of £7,802,000 (2020: £5,877,000).

The Governing Body have determined that the appropriate level of free reserves should be a sum equivalent to three month's payroll, approximately £1,500,000 and an additional £1,000,000 due to the uncertainties of future Government spending. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies.

The amount of designations made in relation to the restricted reserves totals to £170,784 relating to the following specific capital projects:

£85,784 Carry forward from 2020/21 from CIF Grant Income for Replacement of Boilers in Sixth Form Block  
£20,000 School's contribution towards Replacement of Boilers in Sixth Form Block  
£30,000 approx. for a school minibus  
£28,000 approx. for phase 2 of main reception refurbishment  
£7,000 approx. for floodlight repair work

The amount of designations made in relation to the unrestricted reserves totals to £nil.

Within the reserves policy users should note that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling to £7,802,000 (2020: £5,877,000). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

Users should also note that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

**Investment Policy**

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this would be escalated to the Trust Board for consideration.

As at 31 August 2021, no investments were held.

**Principal Risks and Uncertainties**

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to a number of financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash and trade creditors, with limited trade (and other) debtors. The trust's system of internal controls ensures risk is minimal in these areas.

A risk register has been established and is updated regularly. Where appropriate, systems or procedures have been established to mitigate the risks the Trust faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects.

The trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust, and its finances. The trustees have implemented a number of systems to assess risks that the Academies face, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Strategic Report (continued)**

procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The Trust has an effective system of internal financial controls, and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety regulations, pertaining to both staff and pupils.

Please refer to the Reserves Policy above for a description of the defined benefit pension scheme, in which there was a deficit at 31 August 2021. 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.

**Fundraising**

The Trust does not engage in any formal fundraising

**Plans for Future Periods**

Preston Manor School's expansion programme was completed in September 2015 and it is now an All-Through School. The Lower School is two-form entry (Reception to Year 6) and the Upper School is nine-form entry and has a sixth form.

A redesign and refurbishment of the upper school main reception foyer and office areas took place during July to August 2021 as well as a refurbishment of the male staff WCs.

Preston Manor was successful with the resubmission of its bid under the Condition Improvement Fund (CIF) 2020-21 for the repair and replacement of the Main Block Roofing and replacement of the boilers in the Art Block and Main Block. This work has now been completed.

The school was successful in its subsequent bid under the Condition Improvement Fund (CIF) 2021-22 to complete the boiler replacement work and the heating in the Sixth Form Block is being replaced during the 2021/22 academic year.

The school is currently considering the most urgent improvement works needed (with careful consideration of the latest CDC and Fire Risk Assessment reports) in preparation for its bid in the 2022-23 CIF round. The school is likely to submit bids for 1) Replacement Fire Doors, Compartmentation and Emergency Lighting and 2) Replacement Windows as part of its continued efforts to reduce its carbon footprint and reduce energy costs.

If unsuccessful in its CIF bids, the emergency lighting will need to be replaced on a rolling programme (using funds from reserves) commencing during the 2021/22 year.

Investigations are also being made into the replacement of the lighting in the upper school with LED solutions.

Preston Manor School's strategic and development plans clearly outline the immediate future plans.

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

The Academy Trust and / or its trustees did not act as custodian trustee during the current or previous period.

**Auditor**

Insofar as the trustees are aware:

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

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**Auditor (continued)**

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 22 November 2021 and signed on the board's behalf by:



**S Venables**

**Chair of Resources, Audit and Risk Committee**

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**GOVERNANCE STATEMENT**

**Scope of Responsibility**

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

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

The board of trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 Preston Manor 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 Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 8 times during the year.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Beth Kobel	8	8
Donald Palmer	8	8
Everton Counsell	7	8
Jonathan Bach	8	8
Susan Lawrence	7	8
Kinna Patel	7	8
Vivek Luthra	5	8
Deborah Sloan	7	8
Sandra Eismann (Sabbatical)	0	0
Leela Paul	7	8
Shiraz Nasrabadi	7	8
Shahzea Tahir	7	8
Rajeev Gulati	6	8
Sarah Venables	8	8
James Frater	5	8
Cherish Denton	0	2
Archana Chavan	8	8
Nadir Minar	5	8

The recent Governance self-evaluation/external review in July 2021 highlighted the need for Preston Manor School's Governors to: continue carrying out website compliancy checks; allocate a specific Governor to maintain training records and capture the impact of Governor training; keeping up to date with education news and changes; give regular feedback to Chairs after committee meetings; to ensure improved timescales for meeting minutes being produced; give concise summaries of committee meeting activities at FGB meetings; improve ability to consider parent and pupil views; increased preparation of Governors for Ofsted inspections; and raising the profile of Governors within the school community.

The Resources, Audit and Risk committee, is a sub-committee of the main board of trustees. Its main purpose is to ensure that the Academy is following the ESFA's financial regulations.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Sarah Venables	3	4
Everton Counsell	2	4
Beth Kobel	4	4
Vivek Luthra	4	4
Sandra Eismann (Sabbatical)	0	4
Rajeev Gulati	3	4

**Review of Value for Money**

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

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

- o Identifying opportunities for targeted support based on regular assessment and data analysis
- o Monitoring individual child and student needs and ensuring support meets those needs. There has been a particular focus on our pupil premium students to ensure that they are receiving relevant targeted intervention
- o Monitoring staff performance and providing appropriate challenge, support and development
- o Increasing leadership capacity in the Upper School (Secondary provision) and Lower School (primary provision)

Examples of how the trust has directed resources towards targeted improvements are by:

- o Targeting resources and staffing in key areas such as Literacy and Numeracy
- o Making effective use of the top-up funding for year 7 catch up students
- o Investing in ICT infrastructure to improve access to new technologies
- o Sourcing additional Educational Psychologist consultancy
- o Developing alternative pathways and support at Key Stages 4 and 5, including vocational options

The school has ensured that all children and students are provided with opportunities to raise achievement, for example by:

- o Making innovative use of targeted funding (e.g. PPG, Year 7 Catch-up funding, The Stepping Stones Project) targeting pastoral support for those students who need it most
- o Ensuring access in school to therapeutic interventions for children and students (Brent Centre for Young People)
- o Providing additional revision and catch-up programmes before, during and after school for students
- o Providing specific revision materials and resources for students
- o Providing targeted mentoring, support and additional guidance, including for careers

Examples of how the trust has ensured value for money through collaboration with other educational providers by:

- o Being a member of the Brent Teaching School alliance where we collaborate on initial teacher training and secure access to high quality leadership training through the NPQSL and NPQML
- o Ensuring members of the Senior Leadership Team have training and support with coaching, self-evaluation and school improvement

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of Value for Money (continued)**

- o Active Engagement with the Ambition School Leadership programme to secure high-quality middle leadership and develop coaching skills in senior leaders
- o Sharing innovative approaches through the PiXL and PiXL6 networks
- o Contributing to the Brent Schools Partnership to access professional development and share cross-phase practice. This includes hosting subject leader network meetings and Aspiring Senior Leadership development courses
- o Developing expertise through the SSAT network by sharing good practice and taking advantage of high quality CPD

**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 Preston Manor Academy Trust for the period 1 September 2020 to 31 August 2021 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

**The Risk and Control Framework**

The 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 Resources, 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
- identification and management of risks.

The board of trustees has decided:

- to buy-in an internal audit service from School Business Services (academic year ending 31 August 2021) and Academy Education Services Limited (academic year ending 31 August 2022).

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

- Related Party Transactions
- Assets
- Data Security
- Monthly Management Reporting

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**GOVERNANCE STATEMENT (CONTINUED)**

**The Risk and Control Framework (continued)**

- Budget and Cashflow Processes
- VAT and other Taxation
- Website review
- Register of Pecuniary Interests
- Whistle Blowing
- New Governors Induction Pack
- Data Protection
- School Development Plan
- Self-Evaluation of Financial Competencies
- Gifts and Hospitality Policy
- Year End Procedures
- Risk Register
- Scheme of Delegation
- FGB and Committee meeting minutes
- Accounts payable
- Payroll
- Grant and other income
- Bank reconciliations
- Control accounts
- Debtors and Creditors

On a termly basis, the internal auditor reports to the board of trustees, through the Resources, Audit and Risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken.

**Review of Effectiveness**


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

- the work of the internal auditor / reviewer
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- 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 Resources, Audit and Risk committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 22 November 2021 and signed on their behalf by:

  
**S Venables**  
Chair of Resources, Audit and Risk Committee

  
**R Denial**  
Accounting Officer

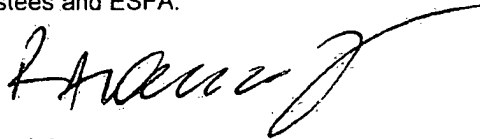
**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Preston Manor 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 ESFA terms and conditions of funding, 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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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.



**R Denial**  
**Accounting Officer**  
Date: 22 November 2021

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 22 November 2021 and signed on its behalf by:



**S Venables**  
Chair of Resources, Audit and Risk Committee

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
PRESTON MANOR ACADEMY TRUST**

**Opinion**

We have audited the financial statements of Preston Manor Academy Trust (the 'academy') for the year ended 31 August 2021 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

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

**Other information**

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

We have nothing to report in this regard.

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

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

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the academy 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'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 or to cease operations, or have no realistic alternative but to do so.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

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

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

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

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

We considered the nature of the industry and its control environment, and reviewed the academy's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also inquired about management's own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the academy's operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and Charities SORP Act; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

The audit engagement team analysed the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

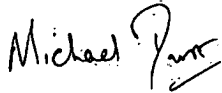
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**Use of our report**

This report is made solely to the academy'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'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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Durst (Senior statutory auditor)**

for and on behalf of

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

22 November 2021

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 12 March 2012 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Preston Manor Academy Trust during the year 1 September 2020 to 31 August 2021 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 Preston Manor Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Preston Manor Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Preston Manor Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Preston Manor Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Preston Manor Academy Trust's funding agreement with the Secretary of State for Education dated 1 February 2013 and the Academies Financial Handbook, extant from 1 September 2020, 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 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

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

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Landau Baker Limited*

**Reporting Accountant**

**Landau Baker Limited**

Chartered Accountants  
Statutory Auditors

Mountcliff House  
154 Brent Street  
London  
NW4 2DR

Date: 22 November 2021

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	-	11,566	1,298,905	1,310,471	152,850
Other trading activities		3,692	201,695	-	205,387	385,867
Investments	6	190	-	-	190	8,231
Charitable activities		-	13,271,342	-	13,271,342	12,873,214
<b>Total income</b>		<b>3,882</b>	<b>13,484,603</b>	<b>1,298,905</b>	<b>14,787,390</b>	<b>13,420,162</b>
<b>Expenditure on:</b>						
Charitable activities	8	691	13,765,139	723,973	14,489,803	13,935,586
<b>Total expenditure</b>		<b>691</b>	<b>13,765,139</b>	<b>723,973</b>	<b>14,489,803</b>	<b>13,935,586</b>
<b>Net income/ (expenditure)</b>		<b>3,191</b>	<b>(280,536)</b>	<b>574,932</b>	<b>297,587</b>	<b>(515,424)</b>
Transfers between funds	18	-	(305,287)	305,287	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>3,191</b>	<b>(585,823)</b>	<b>880,219</b>	<b>297,587</b>	<b>(515,424)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	25	-	(1,564,000)	-	(1,564,000)	(946,000)
<b>Net movement in funds</b>		<b>3,191</b>	<b>(2,149,823)</b>	<b>880,219</b>	<b>(1,266,413)</b>	<b>(1,461,424)</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		469,516	(3,641,181)	28,603,261	25,431,596	26,893,020
Net movement in funds		3,191	(2,149,823)	880,219	(1,266,413)	(1,461,424)
<b>Total funds carried forward</b>		<b>472,707</b>	<b>(5,791,004)</b>	<b>29,483,480</b>	<b>24,165,183</b>	<b>25,431,596</b>

The Statement of financial activities includes all gains and losses recognised in the year

The notes on pages 29 to 50 form part of these financial statements.

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08359584**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	29,483,480	28,603,261
		<u>29,483,480</u>	<u>28,603,261</u>
<b>Current assets</b>			
Debtors	15	684,122	378,329
Cash at bank and in hand		2,868,904	3,178,385
		<u>3,553,026</u>	<u>3,556,714</u>
Creditors: amounts falling due within one year	16	(939,528)	(787,909)
<b>Net current assets</b>		<u>2,613,498</u>	<u>2,768,805</u>
<b>Total assets less current liabilities</b>		<u>32,096,978</u>	<u>31,372,066</u>
Creditors: amounts falling due after more than one year	17	(129,795)	(63,470)
<b>Net assets excluding pension liability</b>		<u>31,967,183</u>	<u>31,308,596</u>
Defined benefit pension scheme liability	25	(7,802,000)	(5,877,000)
<b>Total net assets</b>		<u><u>24,165,183</u></u>	<u><u>25,431,596</u></u>
<b>Funds of the academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	29,483,480	28,603,261
Restricted income funds	18	2,010,996	2,235,819
		<u>31,494,476</u>	<u>30,839,080</u>
Restricted funds excluding pension asset	18	31,494,476	30,839,080
Pension reserve	18	(7,802,000)	(5,877,000)
<b>Total restricted funds</b>	18	<u>23,692,476</u>	<u>24,962,080</u>
Unrestricted income funds	18	472,707	469,516
<b>Total funds</b>		<u><u>24,165,183</u></u>	<u><u>25,431,596</u></u>

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 08359584**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2021**

The financial statements on pages 25 to 50 were approved by the Trustees, and authorised for issue on 22 November 2021 and are signed on their behalf, by:



**S Venables**

Chair of Resources, Audit and Risk Committee

The notes on pages 29 to 50 form part of these financial statements.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(80,265)	441,794
<b>Cash flows from investing activities</b>	22	(305,287)	(646,728)
<b>Cash flows from financing activities</b>	21	76,071	(22,130)
<b>Change in cash and cash equivalents in the year</b>		(309,481)	(227,064)
Cash and cash equivalents at the beginning of the year		3,178,385	3,405,449
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u>2,868,904</u>	<u>3,178,385</u>

The notes on pages 29 to 50 form part of these financial statements

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**1.2 Going concern**

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

**1.3 Income**

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the academy has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the academy, can be reliably measured.

- **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.

**1.4 Expenditure**

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

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.4 Expenditure (continued)**

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Tangible fixed assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	- 2% Straight-line basis
Building Improvement	- 6% Straight-line basis
Furniture and fixtures	- 20% Straight-line basis
Computer equipment	- 33% Straight-line basis

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

**1.6 Debtors**

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

**1.7 Cash at bank and in hand**

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

**1.8 Liabilities**

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

**PRESTON MANOR ACADEMY TRUST**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.9 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. 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. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

**1.10 Pensions**

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

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

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

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**1. Accounting policies (continued)**

**1.11 Fund accounting**

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

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

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

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

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

Estimates and judgments 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. 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.

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	11,566	-	11,566	8,319
Capital Grants	-	-	1,298,905	1,298,905	144,531
	-	11,566	1,298,905	1,310,471	152,850
<b>Total 2020</b>	<b>234</b>	<b>8,085</b>	<b>144,531</b>	<b>152,850</b>	

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**4. Funding for the academy's educational activities**

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA grants</b>			
General Annual Grant	11,251,219	11,251,219	11,067,218
Other DfE/ESFA grants			
Pupil Premium	472,095	472,095	530,386
UFSM	50,463	50,463	53,970
Others	634,213	634,213	615,414
	<u>12,407,990</u>	<u>12,407,990</u>	<u>12,266,988</u>
<b>Other government grants</b>			
Local authority grants	657,675	657,675	591,808
	<u>657,675</u>	<u>657,675</u>	<u>591,808</u>
<b>COVID-19 additional funding (DfE/ESFA)</b>			
Catch-up premium	137,440	137,440	-
Other DfE/ESFA COVID-19 funding	67,412	67,412	13,918
	<u>204,852</u>	<u>204,852</u>	<u>13,918</u>
Other Income	825	825	500
	<u>13,271,342</u>	<u>13,271,342</u>	<u>12,873,214</u>
<b>Total 2020</b>	<u>12,873,214</u>	<u>12,873,214</u>	

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy received £137,440 of funding for catch-up premium and costs incurred in respect of this funding totalled £60,263, with the remaining £77,177 to be spent in 2021/22.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**5. Income from other trading activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings Income	3,692	-	3,692	72,810
Catering Income	-	126,824	126,824	196,352
Other Income	-	69,031	69,031	99,215
Trip Income	-	5,840	5,840	17,490
	<u>3,692</u>	<u>201,695</u>	<u>205,387</u>	<u>385,867</u>
<i>Total 2020</i>	<u>72,810</u>	<u>313,057</u>	<u>385,867</u>	

**6. Investment income**

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment Income	<u>190</u>	<u>190</u>	<u>8,231</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**7. Expenditure**

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational Activities:					
Direct costs	7,939,693	698,287	378,080	9,016,060	8,786,966
Allocated support costs	3,687,081	405,563	1,381,099	5,473,743	5,148,620
	<u>11,626,774</u>	<u>1,103,850</u>	<u>1,759,179</u>	<u>14,489,803</u>	<u>13,935,586</u>
<i>Total 2020</i>	<u>11,164,827</u>	<u>1,090,223</u>	<u>1,680,536</u>	<u>13,935,586</u>	

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	691	14,489,112	14,489,803	13,935,586
	<u>31,137</u>	<u>13,904,449</u>	<u>13,935,586</u>	
<i>Total 2020</i>				

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational Activities	9,016,060	5,473,743	14,489,803	13,935,586
<i>Total 2020</i>	<i>8,786,966</i>	<i>5,148,620</i>	<i>13,935,586</i>	

**Analysis of direct costs**

	Educational Activities 2021 £	Total funds 2021 £	Total funds 2020 £
Staff Costs	7,744,356	7,744,356	7,446,457
Depreciation	723,973	723,973	617,860
Educational Supplies	166,398	166,398	154,668
Technology Costs	15,617	15,617	19,159
Teaching Supply Costs	195,337	195,337	340,896
Staff Development and Training	26,165	26,165	37,882
Examination Fees	113,399	113,399	116,981
Other Direct Costs	30,815	30,815	53,063
	<u>9,016,060</u>	<u>9,016,060</u>	<u>8,786,966</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Educational Activities 2021 £</b>	<b>Total funds 2021 £</b>	<b>Total funds 2020 £</b>
Pension Finance Cost	102,000	102,000	89,000
Staff Costs	2,928,458	2,928,458	2,920,298
Technology Costs	565,570	565,570	568,441
Recruitment and Support	64,008	64,008	74,396
Support Staff Supply Costs	499,623	499,623	198,176
Maintenance of Premises and Equipment	121,591	121,591	106,734
Other Premises Costs	12,276	12,276	17,691
Energy	200,000	200,000	200,517
Rent & Rates	71,198	71,198	80,621
Insurance	48,301	48,301	48,407
Cleaning	37,647	37,647	27,560
Security and Transport	13,080	13,080	18,082
Non Cash Pension Costs	259,000	259,000	259,000
Catering	133,683	133,683	150,626
Other Support Costs	169,497	169,497	135,602
Governance Costs	247,811	247,811	253,469
	<u>5,473,743</u>	<u>5,473,743</u>	<u>5,148,620</u>

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

Net income/(expenditure) for the year includes:

	<b>2021 £</b>	<b>2020 £</b>
Depreciation of tangible fixed assets	723,973	617,860
Fees paid to auditors for:		
- audit	4,000	4,000
- other services	4,800	4,200
	<u>4,800</u>	<u>4,200</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**11. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	7,959,730	7,733,087
Social security costs	837,028	801,248
Pension costs	1,876,056	1,832,420
	<u>10,672,814</u>	<u>10,366,755</u>
Agency staff costs	195,337	340,896
Non cash pension costs	259,000	259,000
Support staff supply costs	499,623	198,176
	<u><u>11,626,774</u></u>	<u><u>11,164,827</u></u>

In the current year, the non-cash pension costs have been re-allocated to a separate line within the support costs note 9. This cost used to be included within the staff costs line within this note. In turn, the expenditure note 7 and the staff costs note 11a have been updated to reflect this change. The prior year figures have also been updated for comparison. This is a better reflection of the actual staff costs incurred by the Academy Trust and enhances the user's understanding of the financial statements.

**b. Staff numbers**

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

	2021 No.	2020 No.
Support and Admin	96	102
Management	13	15
Teachers	111	108
	<u>220</u>	<u>225</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**11. Staff (continued)**

**c. Higher paid staff**

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

	2021 No.	2020 No.
In the band £60,000 - £70,000	16	11
In the band £70,000 - £80,000	1	1
In the band £80,000 - £90,000	3	3
In the band £90,001 - £100,000	1	1
In the band £120,001 - £130,000	-	1
In the band £130,000 - £140,000	1	-

**d. Key management personnel**

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page . 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 was £1,573,486 (2020 £1,710,045).

**12. Trustees' remuneration and expenses**

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

		2021 £	2020 £
B Kobel (Headteacher)	Remuneration	135,000 -	125,000 -
		140,000	130,000
	Pension contributions paid	30,000 -	30,000 -
		35,000	35,000
S Nasrabadi, Staff Trustee	Remuneration	40,000 -	35,000 -
		45,000	40,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000
L Paul, Teacher Trustee	Remuneration	50,000 -	45,000 -
		55,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2021, no Trustee expenses have been incurred (2020 - £NIL).

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2021 was £260 (2020 - £260). The cost of this insurance is included in the total insurance cost.

**14. Tangible fixed assets**

	Freehold property £	Assets under construction £	Furniture and fixtures £	Computer equipment £	Motor vehicles £	Total £
<b>Cost or valuation</b>						
At 1 September 2020	31,970,475	40,255	468,862	365,425	52,729	32,897,746
Additions	1,438,998	-	53,922	111,272	-	1,604,192
Transfers between classes	40,255	(40,255)	-	-	-	-
At 31 August 2021	<u>33,449,728</u>	<u>-</u>	<u>522,784</u>	<u>476,697</u>	<u>52,729</u>	<u>34,501,938</u>
<b>Depreciation</b>						
At 1 September 2020	3,628,826	-	309,837	303,093	52,729	4,294,485
Charge for the year	647,717	-	50,570	25,686	-	723,973
At 31 August 2021	<u>4,276,543</u>	<u>-</u>	<u>360,407</u>	<u>328,779</u>	<u>52,729</u>	<u>5,018,458</u>
<b>Net book value</b>						
At 31 August 2021	<u>29,173,185</u>	<u>-</u>	<u>162,377</u>	<u>147,918</u>	<u>-</u>	<u>29,483,480</u>
At 31 August 2020	<u>28,341,649</u>	<u>40,255</u>	<u>159,025</u>	<u>62,332</u>	<u>-</u>	<u>28,603,261</u>

**15. Debtors**

	2021 £	2020 £
<b>Due within one year</b>		
Trade debtors	510	7,244
Other debtors	76,199	91,520
Prepayments and accrued income	607,413	279,565
	<u>684,122</u>	<u>378,329</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	2021 £	2020 £
Other loans	31,875	22,129
Trade creditors	198,441	29,343
Other taxation and social security	209,785	202,361
Other creditors	206,970	208,985
Accruals and deferred income	292,457	325,091
	<u>939,528</u>	<u>787,909</u>
	2021 £	2020 £
Deferred income at 1 September 2020	60,343	65,566
Resources deferred during the year	60,511	60,343
Amounts released from previous periods	(60,343)	(65,566)
	<u>60,511</u>	<u>60,343</u>

At the balance sheet date the academy trust was holding funds received in advance for ESFA Universal Free School Meals grant income of £29,437, ESFA Rates grant income of £24,913 and ESFA 16-19 bursary grant income of £5,161 (2020: £57,943) in addition to lettings income of £Nil (2020: £2,400).

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

	2021 £	2020 £
Other loans	129,795	63,470

Included within creditors less than and greater than one year is a total loan amount of £161,670 (2020: £85,599) from the Education & Skills Funding Agency (ESFA). Within this balance, there are three CIF loans. The first CIF loan is repayable in 2023, with a total balance outstanding of £15,033 (2020: £23,189) at year end with an interest rate accruing on the balance of 1.07%. The second CIF loan is repayable in 2024 with a total balance outstanding of £23,248 (2020: £31,624) with a 1.55% interest rate accruing on the balance. The third CIF loan was taken out in the current year repayable in 2026. The total balance outstanding at year end is £24,217 (2020: £nil) with a interest rate accruing of 1.91%. Within this balance there are also three Salix loans. The first Salix loan is repayable in 2025 with a balance outstanding at year end of £25,189 (2020: £30,786) with an interest rate accruing of 0%. The second Salix loan is repayable in 2029 with a balance outstanding at year end of £20,396 (2020: £nil) with a 0% interest rate accruing on the balance. The third Salix loan is repayable in 2029 with a balance outstanding at year end of £53,586 (2020: £nil) with a 0% interest rate accruing on the balance.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**18. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
General Funds - all funds	469,516	3,882	(691)	-	-	472,707
<b>Restricted general funds</b>						
GAG	2,235,819	11,251,219	(11,247,932)	(305,287)	-	1,933,819
Pupil premium	-	472,095	(472,095)	-	-	-
Other ESFA Funding	-	634,213	(634,213)	-	-	-
UIFSM	-	50,463	(50,463)	-	-	-
SEN Funding (LA)	-	458,826	(458,826)	-	-	-
Other LA Funding	-	198,849	(198,849)	-	-	-
Catch up premium	-	137,440	(60,263)	-	-	77,177
Other DfE/ESFA COVID-19 funding	-	67,412	(67,412)	-	-	-
General funds	-	214,086	(214,086)	-	-	-
Pension reserve	(5,877,000)	-	(361,000)	-	(1,564,000)	(7,802,000)
	<u>(3,641,181)</u>	<u>13,484,603</u>	<u>(13,765,139)</u>	<u>(305,287)</u>	<u>(1,564,000)</u>	<u>(5,791,004)</u>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - All Funds	28,603,261	1,298,905	(723,973)	305,287	-	29,483,480
<b>Total Restricted funds</b>	<u>24,962,080</u>	<u>14,783,508</u>	<u>(14,489,112)</u>	<u>-</u>	<u>(1,564,000)</u>	<u>23,692,476</u>
<b>Total funds</b>	<u>25,431,596</u>	<u>14,787,390</u>	<u>(14,489,803)</u>	<u>-</u>	<u>(1,564,000)</u>	<u>24,165,183</u>

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

Restricted fixed assets funds have been increased by capital grants provided by DfE and reduced by depreciation charges.

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

Restricted general fund have been increased by revenue grants provided by DfE and reduced by expenditure incurred in the operation of the academy.

The restricted funds can only be used in terms of limitations imposed by the Funding Agreement with the DfE and the terms of any specific grant.

Unrestricted funds have been increased by voluntary contributions by parents and reduced by expenditure incurred in the operation of the academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2021.

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>						
General Funds - all funds	419,378	81,275	(31,137)	-	-	469,516
<b>Restricted general funds</b>						
GAG	2,613,036	11,067,218	(10,811,451)	(632,984)	-	2,235,819
Pupil premium	-	530,386	(530,386)	-	-	-
Other ESFA Funding	-	693,355	(693,355)	-	-	-
UIFSM	-	19,610	(19,610)	-	-	-
SEN Funding (LA)	-	386,262	(386,262)	-	-	-
Early Years Funding (LA)	-	193,986	(193,986)	-	-	-
Other LA Funding	-	11,560	(11,560)	-	-	-
Catch up premium	-	335,560	(335,560)	-	-	-
Pension reserve	(4,583,000)	-	(348,000)	-	(946,000)	(5,877,000)
	<u>(1,969,964)</u>	<u>13,237,937</u>	<u>(13,330,170)</u>	<u>(632,984)</u>	<u>(946,000)</u>	<u>(3,641,181)</u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Restricted fixed asset funds</b>						
Restricted Fixed Asset Funds - All Funds	28,443,606	-	(473,329)	632,984	-	28,603,261
Devolved Formula Capital	-	36,119	(36,119)	-	-	-
CIF Capital Income	-	108,412	(108,412)	-	-	-
	<u>28,443,606</u>	<u>144,531</u>	<u>(617,860)</u>	<u>632,984</u>	<u>-</u>	<u>28,603,261</u>
<b>Total Restricted funds</b>	<u>26,473,642</u>	<u>13,382,468</u>	<u>(13,948,030)</u>	<u>-</u>	<u>(946,000)</u>	<u>24,962,080</u>
<b>Total funds</b>	<u><u>26,893,020</u></u>	<u><u>13,463,743</u></u>	<u><u>(13,979,167)</u></u>	<u><u>-</u></u>	<u><u>(946,000)</u></u>	<u><u>25,431,596</u></u>

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

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

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>
Tangible fixed assets	-	-	29,483,480	29,483,480
Current assets	472,707	3,080,319	-	3,553,026
Creditors due within one year	-	(939,528)	-	(939,528)
Creditors due in more than one year	-	(129,795)	-	(129,795)
Provisions for liabilities and charges	-	(7,802,000)	-	(7,802,000)
<b>Total</b>	<u><u>472,707</u></u>	<u><u>(5,791,004)</u></u>	<u><u>29,483,480</u></u>	<u><u>24,165,183</u></u>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	28,603,261	28,603,261
Current assets	469,516	3,087,198	-	3,556,714
Creditors due within one year	-	(787,909)	-	(787,909)
Creditors due in more than one year	-	(63,470)	-	(63,470)
Provisions for liabilities and charges	-	(5,877,000)	-	(5,877,000)
<b>Total</b>	<b>469,516</b>	<b>(3,641,181)</b>	<b>28,603,261</b>	<b>25,431,596</b>

**20. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	<b>2021 £</b>	<b>2020 £</b>
Net income/(expenditure) for the year (as per Statement of financial activities)	<b>297,587</b>	<b>(515,424)</b>
<b>Adjustments for:</b>		
Depreciation	<b>723,973</b>	<b>617,860</b>
Capital grants from DfE and other capital income	<b>(1,298,905)</b>	<b>(130,787)</b>
Defined benefit pension scheme cost less contributions payable	<b>259,000</b>	<b>259,000</b>
Defined benefit pension scheme finance cost	<b>102,000</b>	<b>89,000</b>
Increase in debtors	<b>(305,793)</b>	<b>(15,025)</b>
Increase in creditors	<b>141,873</b>	<b>137,170</b>
<b>Net cash (used in)/provided by operating activities</b>	<b>(80,265)</b>	<b>441,794</b>

**21. Cash flows from financing activities**

	<b>2021 £</b>	<b>2020 £</b>
Cash inflows from new borrowing	<b>98,201</b>	<b>-</b>
Repayments of borrowing	<b>(22,130)</b>	<b>(22,130)</b>
<b>Net cash provided by/(used in) financing activities</b>	<b>76,071</b>	<b>(22,130)</b>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**22. Cash flows from investing activities**

	2021 £	2020 £
Purchase of tangible fixed assets	(1,604,192)	(777,515)
Capital grants from DfE/ESFA	1,298,905	130,787
<b>Net cash used in investing activities</b>	<b>(305,287)</b>	<b>(646,728)</b>

**23. Analysis of cash and cash equivalents**

	2021 £	2020 £
Cash in hand and at bank	2,868,904	3,178,385
<b>Total cash and cash equivalents</b>	<b>2,868,904</b>	<b>3,178,385</b>

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

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	3,178,385	(309,481)	2,868,904
Debt due within 1 year	(22,129)	(9,746)	(31,875)
Debt due after 1 year	(63,470)	(66,325)	(129,795)
	<b>3,092,786</b>	<b>(385,552)</b>	<b>2,707,234</b>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**25. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 August 2021.

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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,209,284 (2020 - £1,179,224).

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

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

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**25. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £798,000 (2020 - £783,000), of which employer's contributions totalled £675,000 (2020 - £663,000) and employees' contributions totalled £ 123,000 (2020 - £120,000). The agreed contribution rates for future years are 35 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 1.10 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

**Principal actuarial assumptions**

**London Borough of Brent Pension Fund**

	2021	2020
	%	%
Rate of increase in salaries	3.20	3.00
Rate of increase for pensions in payment/inflation	2.90	2.20
Discount rate for scheme liabilities	1.65	1.70

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	22.3	22.1
Females	24.7	24.3
<i>Retiring in 20 years</i>		
Males	22.3	23.0
Females	23.5	25.5

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**25. Pension commitments (continued)**

**Share of scheme assets**

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

	2021 £	2020 £
Equities	5,182,000	3,755,700
Debt instruments	777,000	625,950
Property	259,000	192,600
Cash	259,000	240,750
<b>Total market value of assets</b>	<b>6,477,000</b>	<b>4,815,000</b>

The actual return on scheme assets was £815,000 (2020 - £(41,000)).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(934,000)	(871,000)
Past service cost	-	51,000
Interest income	88,000	84,000
Interest cost	(190,000)	(173,000)
<b>Total amount recognised in the Statement of financial activities</b>	<b>1,036,000</b>	<b>909,000</b>

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

	2021 £	2020 £
<b>At 1 September</b>	<b>10,692,000</b>	<b>8,628,000</b>
Current service cost	934,000	871,000
Interest cost	190,000	173,000
Employee contributions	123,000	120,000
Actuarial losses	2,379,000	905,000
Benefits paid	(39,000)	(56,000)
Past service costs	-	51,000
<b>At 31 August</b>	<b>14,279,000</b>	<b>10,692,000</b>

**PRESTON MANOR ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2021**

**25. Pension commitments (continued)**

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

	2021 £	2020 £
<b>At 1 September</b>	<b>4,815,000</b>	<b>4,045,000</b>
Interest income	88,000	84,000
Actuarial gains/(losses)	815,000	(41,000)
Employer contributions	675,000	663,000
Employee contributions	123,000	120,000
Benefits paid	(39,000)	(56,000)
<b>At 31 August</b>	<b>6,477,000</b>	<b>4,815,000</b>

**26. Members' liability**

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

**27. Related party transactions**

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

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

**28. Agency arrangements**

The academy trust distributes 16 -19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2021 the trust received £28,460 (2020: £45,981) and disbursed £19,006 (2020: £43,581) from the fund. An amount of £5,161 (2020: £2,400) is included in other creditors relating to undistributed funds that is repayable to the ESFA.