

Company registration number 09481323 (England and Wales)

PRESTOLEE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022



Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

PRESTOLEE MULTI ACADEMY TRUST

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PRESTOLEE MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr B Barclay
Mrs S Farnworth
Mrs K Macadam
Mr S Patton
Mr S Fox

Trustees

For 2021-22:
Mr A Gallimore (Chair of Trustees)
Mrs L Gartside
Mr A Sargeant
Mr J Whitham
Mr P Heath (Jul 22)

Company Secretary

Mr M Govier CFO

Senior Management Team

CEO
Deputy CEO
CFO
Exec Head Tottington/Bowness
Head Prestolee
Head Barton Moss
Head Bowness
Head Waterloo
Head Tottington
Head Springside

For 2021-22:
Mr M Tonge
Mrs R Dunne
Mr M Govier
Mr S Holden
Mrs A Keane
Mrs V Unsworth/Mrs C Wooley
Mrs K Forster
Mr D Harris
Mrs D Taylor
Miss G Thornicroft

Company name & registered office

Prestolee Multi Academy Trust
c/o Prestolee Primary School, Church Road, Stoneclough
Radcliffe, Manchester, M26 1HJ.

Company registration number

9481323 (England and Wales)

Academies operated

Prestolee Primary School
Bowness Primary School
Barton Moss Primary
Waterloo Primary School
Tottington Primary School
Prestolee Teaching School
Springside Primary School (June 2022)
SCITT

Independent Auditor

Haines Watts, Bridge House, Ashley Road, Hale, Altrincham,
WA14 2UT

Bankers

Lloyds Bank PLC, 9 Hotel Street, Bolton, BL1 1DB

Solicitors

Stone King LLP, One Park Row, Leeds, LS1 5HN

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1 September 2022 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates five academies in Bolton, Salford, Tameside and Bury with a combined pupil capacity of 1,608 and had a total roll of 1,135 as the basis for 2022-23 funding. The Trust also operates a SCITT.

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 Prestolee Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Prestolee Multi Academy Trust.

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

Members' liability

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

Trustees' indemnities

There are no third party indemnity provisions requiring disclosure in accordance with The Companies Act 2006 s236

Method of recruitment and appointment or election of trustees

The Members may appoint up to seven Trustees through such process as it may determine.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to the posts of Accounting Officer or Chief Financial Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new Directors depends on their existing experience. Where appropriate, induction training (provided either internally or by external providers) on charity, educational, legal and financial matters. All Directors have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents appropriate to their roles. All have access to programmes of training and membership of NGA and affiliated events.

Organisational structure

The Trust Board is collectively responsible for Prestolee Primary School, Bowness Primary School, Barton Moss Primary School, Waterloo Primary School, Tottington Primary school, Springside Primary School and Prestolee SCITT. These subsidiary organisations have their own local governing body or management committee with responsibility for their operation and achievement in accordance with the policies, standards and targets set by the Trust board. The local governing bodies are responsible to the board of directors (who have overall responsibility) for all forms of statutory and regulatory compliance.

Local Governing Bodies report to the board as required to support the evaluation of compliance and also financial and operational performance in accordance with the required standards and KPIs. The board are responsible for the systems of quality assurance and reporting that underpin this evaluation.

The Board conducts its work through three key sub-committees, each with scope across the whole business covering Finance & Audit, Personnel and Property and Standards.

The Chief Executive is the Accounting Officer. Day to day management is delegated to the Chief Executive, Deputy Chief Executive Officer, the Headteachers and the MAT Business Manager who is the Chief Financial Officer. These managers control the Trust and Academies at an executive level. These are the Key Management Personnel.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Arrangements for setting pay and remuneration of key management personnel

For those employees within the FRS102 definition of Key Management Personnel, the Personnel and Premises sub-committee of the board would oversee pay and remuneration by setting arrangements for specific pay reviews. There is a specific policy and arrangement for executive pay.

Trade Union Facility Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, the Trust reports that there has been no time spent by direct employees on union facilities time and hence no time lost.

The Trust fully supports the work of the unions and is paying the following annually in de-delegation arrangements to support their facilitation via the respective LAs.

£848	Prestolee Primary School
£480	Bowness Primary School
£629	Barton Moss Primary School
£2,914	Waterloo Primary School
£2,000	Tottington Primary School
£880	Springside Primary School

Related parties and other connected charities and organisations

The trust have declared arrangements in connection with Bright Futures Trust where the CEO is a director. PMAT have procured appropriate body function from BFET at standard costs being charged for that service. BFET have also proposed to procure work from PMAT to deliver some work in relation to Early Career Framework. There is no personal payment or gain.

The trust have declared arrangements in connection with Woodbank Primary School where Kelly Macadam is a member of Prestolee MAT and Headteacher of Woodbank Primary. PMAT have engaged Woodbank to take two SCITT teacher trainees for a placement at a standard cost.

The trust have declared arrangements in connection with Bowlee Park Primary where the CEO has a connection with the Headteacher. Bowlee have taken SCITT trainee students for a standard fee.

Prestolee Primary School has been making a regional contribution to the progress of educational outcomes since 2009 when the school provided targeted support to local schools in partnership with the NCTL. This was achieved with the deployment of an LLE and SLEs.

In 2011/12, following an Outstanding Ofsted judgement, Prestolee became a National Support School as the Headteacher was then designated a National Leader of Education. This led to the school playing a significant part in the Greater Manchester Challenge/Leadership Strategy.

In the following year, the school was designated as National Teaching School and now works with a wide variety of partners and through its alliance of schools to deliver the national key strategic objectives. The school has become one of the key providers of school based initial teacher training in the region and chairs the regional ITT board.

The school was the focus of a DfE case study 'A freedom to lead' in July 2014 which examined the ingredients of successful leadership at Prestolee.

After several years of providing a high standard of initial teacher training in partnership with Cumbria University, the school has been successful in winning a bid to become a SCITT (School Centred Initial Teacher Training) which started its work in September 2015. This allowed the organisation to be an awarding body for Qualified Teacher Status (QTS) which has previously been the domain of the universities. It affords the opportunity for Prestolee to expand its ITT provision but also able to commission other providers to deliver the government strategy in partnership with Prestolee. The SCITT has achieved a recent Outstanding OFSTED judgement.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Prestolee is a founding member of the Greater Manchester Learning Partnership. The GMLP is central to the delivery of the School Led system in the North West and brings together the Local Authorities, Regional Schools Commissioner, North West School Improvement Board, Devolution Manchester and the Teaching Schools Council to form the Greater Manchester Executive. The purpose of this is to improve the life chances of all the learners of Greater Manchester. It brings together the whole system in a single place. All members subscribe to the notion of working together, in open and honest collaboration to share capacity, shape the future of Greater Manchester and ensure those charged with delivering education are supported. Prestolee MAT handles financial transactions on behalf of GMLP as 3rd party monies which is showing as an 'other creditor' within the financial statements. At 31 August 2022, this consisted of £59,504.32. These finances are segregated from the MAT's Revenue funding and controlled by an agency agreement.

Prestolee MAT works with many partner schools and organisations including universities, Local Authorities and the Teaching School Council.

Objectives and activities

Objectives and aims

In April 2015, Prestolee Multi Academy Trust (MAT) was formed by Prestolee Primary School. Later in the same year, the trust expanded to include Bowness Primary School in addition to the Teaching School and later the SCITT. In 2017 the Trust expanded further to incorporate Waterloo Primary School in Tameside and Barton Moss Primary School in Salford. Tottington Primary School joined in November 2019. Springside Primary School joined the trust in June 2022. This has provided a platform that facilitates the scalability required to support the organisation as it realises its vision to operate a successful chain of schools that each incorporate a common set of values and ethos that will deliver first class education in the wider regional context. The MAT is pursuing a strategy of sustainable growth averaging 1 to 3 schools per year.

Charitable Objects:

- a. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies")
- b. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Aims

The key aim of the trust is to achieve improvements in educational leadership, systems and outcomes, not only within its own organisation but within the region.

Significant activities

The Trust deploys several of its key staff in targeted support of other schools. This also forms a revenue stream to enhance and develop the trust capacity and scalability for expansion.

The Trust also engages staff and leaders from other members of its alliance and strategic partners and they also receive the same indirect benefit in the same way.

As a significant provider of quality Initial Teacher Training (ITT), the Trust is able to provide a high calibre of teachers with future leadership potential. The Trust, its alliance and partners are able to benefit from this rich supply of talent and are able to provide good opportunities for the teachers that are trained.

The Prestolee SCITT has been awarded a rating of outstanding as an ITT provider. The Trust has been successful in implementing a pilot exercise that has established outstanding ITT practice in areas of need in the North West.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Since taking on Waterloo and Barton Moss in September 2017, the Trust has expanded its work to improve the quality of teaching and engagement, business administration, community work and quality of the curriculum. Bowness and Barton Moss have improved OFSTED ratings to good. Springside joining in June 2022 also has a rating of Good. The Trust has maintained the outstanding standards at Prestolee Primary School.

Public benefit

All of the strategies and activities described above are wholly relevant to the pursuit of the public benefit described within the charitable objects and the stated aims of the Trust. This is true, both within the Trust and in the wider region. All six schools are developing their community engagement, community and childcare facilities and strong engagement with its parents and community. The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievement and performance

With reference to the most recent published national data:

	Last published National Data 2022	Barton Moss	Bowness	Prestolee	Tottington	Waterloo	Springside
EYFS							
GLD	65	59	71	70	74	64	70
Key Stage 1							
% of children achieving phonics – Y1	75.5	83	84	93	75	69	76
Reading in Y2	67	63	73	77	73	54	63
Writing in Y2	58	54	64	77	60	49	48
Maths in Year 2	68	63	73	81	71	51	63
Key Stage 2							
% Y6 to achieving expected standard – combined	59	48	57	74	82	62	57

SCITT / Teaching School

The SCITT remains outstanding (OFSTED 2018)

100% of students have been recommended for the award of Qualified Teacher Status.

Key performance indicators

Ofsted results:

Prestolee Primary School – Outstanding

Prestolee SCITT – Outstanding

Barton Moss Primary School – Good 2020

Bowness Primary School – Good 2018

Waterloo Primary School – Good 2021

Tottington Primary School – Good 2018

Springside Primary School – Good 2019

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Other Finance, Absence, Pupils and Performance related KPIs are published here:

<https://www.find-school-performance-data.service.gov.uk/school/141915/prestolee-primary-school>

<https://www.find-school-performance-data.service.gov.uk/school/142030/bowness-primary-school>

<https://www.find-school-performance-data.service.gov.uk/school/144459/barton-moss-community-primary-school>

<https://www.find-school-performance-data.service.gov.uk/school/144698/waterloo-primary-school>

<https://www.find-school-performance-data.service.gov.uk/school/147551/tottington-primary-school>

<https://www.find-school-performance-data.service.gov.uk/school/105316/springside-primary-school>

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.

Financial review

Financial position

The majority of the MAT's grant funding allocation comes from the following sources:

General Annual Grants, Pupil Premium, Devolved Formula Capital, Primary Sports Grant, Universal Infant Free School Meals Grant, Collaborative Grant, High Needs and Early Years Funding from the Local Authority. This income is proportioned to statemented children and contextual pupil numbers.

The Trust revenue reserves position at 31 August 2022 is £1,162,000 in restricted reserves, a pension deficit of £419,000, fixed asset reserve of £16,816,000 and unrestricted reserves of £549,000.

Individually restricted and unrestricted reserves are:

Prestolee Primary School	£246,000
Bowness Primary School	£284,000
Barton Moss Primary	£141,000
Waterloo Primary School	£575,000
Tottington Primary School	£88,000
Prestolee Teaching School	(£25,000)
SCITT	£349,000
Central Services	£9,000
Total funds	£1,711,000

The Central Services fund (MAT) has a surplus of £9,000.

All schools and the Trust remain in overall surplus at 31/08/2022.

The Trust forecasts an overall surplus for the next three years.

Significant events

Springside Primary School (Good) joined the Trust in June 2022.

Investment policy and objectives

The aim of this policy is to ensure that funds not immediately required to cover anticipated expenditure, where appropriate are invested in such a way as to maximise income but take into account risks. Where investments are made, suitable financial advice will be sought. During the period, no investments were made.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Reserves policy

The policy of the trust is to generate reserves sufficient to safeguard financial stability and operation. This will always be in balance with current and future resourcing requirements to best deliver its strategic and charitable objectives.

The directors consider the reserves here to be appropriate in line with these aims. The Trust has a plan to use some of the present surplus of central reserves to fund an operational hub for teacher training, continuing professional development and leadership development within the region. The aim of this is to facilitate the growth in ITT services.

Principal risks and uncertainties

The main inherent risk in any school relates to performance. There is substantial and regular monitoring of performance measures and systems of quality assurance and benchmarking for each of the subsidiary organisations within the Trust. This is regularly reviewed by each of their LGBs and Management Committees who in turn report to the Trust Standards Committee. Each subsidiary organisation is also subject to external scrutiny and audit from Ofsted and other regulatory bodies. The Trust also seeks regular external scrutiny and peer review to provide the evidence to confirm and validate the required standards and performance. The Trustees are satisfied that they are in receipt of information that will facilitate timely actions sufficient to mitigate the risk of any deterioration of performance or failure to improve and safeguard any loss of accreditation or reputation. The effect of the new national funding formula is uncertain as is future government policy that may reduce several aspects of our current funding allocations in future years. There is risk in parent/carer expectations and understanding of how policy is developing with SEND funding and EHCP personal budgets. Funding for system leadership responsibilities does not allow the school to invest in the capacity needed to respond to the system demands or local needs in the required timeframes. The ESFA and LAs have reduced elements of school funding at the same time as costs are increasing. The Trust is pursuing a policy of steady growth in order to provide healthy funding for central school improvement functionality. The Trust reports and analyses its financial outlook in accordance with the Academy Handbook requirements.

Fundraising

The academy trust does not use any external fundraisers other than the monies that is receive by donation from PTAs. All fundraising undertaken during the year was monitored by the Trustees.

Plans for future periods

Since Tottington Primary School have joined the Trust, the Trust continue to pursue a strategy of steady expansion. The Trust have explored opportunities to obtain further grant funding to expand its operation and reach.

Funds held as custodian trustee on behalf of others

Prestolee is a founding member of the Greater Manchester Learning Partnership. The GMLP is central to the delivery of the School Led system in the North West and brings together the Local Authorities, Regional Schools Commissioner, North West School Improvement Board, Devolution Manchester and the Teaching Schools Council to form the Greater Manchester Executive. The purpose of this is to improve the life chances of all the learners of Greater Manchester. It brings together the whole system in a single place. All members subscribe to the notion of working together, in open and honest collaboration to share capacity, shape the future of Greater Manchester and ensure those charged with delivering education are supported. Prestolee MAT handles financial transactions on behalf of GMLP as 3rd party monies which is showing as an 'other creditor' within the financial statements. At 31st August 2019, this consisted of £ £74,935.46. These finances are segregated from the MAT's Revenue funding.

Structure, governance and management

Key management remuneration

The key management personnel of the academy trust comprise the trustees and the senior managers listed within the reference and administration details section at the start of this document. None of the trustees are in receipt of remuneration. The overall gross remuneration of key management personnel is £ £926,000 including on-costs (£571,340 declared in 2018-19).

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

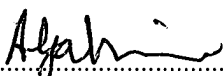
FOR THE YEAR ENDED 31 AUGUST 2022

Auditors

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.

This trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 December 2022 and signed on the board's behalf by:



Mr A Gallimore
Chair of Trustees

PRESTOLEE MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the CEO, 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 Prestolee Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows. The Accounting Officer, the Chief Financial Officer and the Deputy CEO also attend.

Trustee	Meetings attended	Out of a possible
Mr A Gallimore	4	4
Mrs L Gartside	4	4
Mr A Sargeant	4	4
Mr J Whitham	4	4

A review of governance has taken place within the reported accounting period.

The Finance and Audit Committee is a sub-committee of the main board of trustees. The Accounting Officer, the Chief Financial Officer and the Deputy CEO also attend.

Trustee	Meetings attended	Out of a possible
Mr A Gallimore	3	3
Mrs L Gartside	3	3
Mr A Sargeant (Chair)	3	3
Mr J Whitham	3	3

The Personnel and Property Committee is a sub-committee of the main Board of Trustees. The Accounting Officer, the Chief Financial Officer and the Deputy CEO also attend.

Trustee	Meetings attended	Out of a possible
Mr A Gallimore	3	3
Mrs L Gartside	3	3
Mr A Sargeant	3	3
Mr J Whitham (Chair)	3	3

The Standards Committee is a sub-committee of the main Board of Trustees. The Accounting Officer, the Chief Financial Officer and the Deputy CEO also attend.

Trustee	Meetings attended	Out of a possible
Mr A Gallimore	3	3
Mrs L Gartside (Chair)	3	3
Mr A Sargeant	3	3
Mr J Whitham	3	3

PRESTOLEE MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Governance reviews

The Trust has conducted an annual review of governance arrangements and as a result a revision of the scheme of delegation is underway to ensure clarity of responsibility at all layers of governance. The Trust has conducted an audit of skills and competence and has reviewed board composition and training. Two trustees have been successfully appointed to fill gaps in knowledge and expertise. The trust is looking to commission an external review of governance imminently. The Trust have invested in a full time Governance Professional role to develop governance across the trust. The Trust have conducted an overall review of Trust operation by an independent consultant.

Review of value for money

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

The AO considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The AO for the Academy Trust has delivered improved value for money during the year by:

"The Trust is now deploying staff flexibly within its own businesses and also when providing external support. This is utilising existing resources to achieve the best possible outcomes, both inside and outside out of the Trust. This is also helping secure the most efficient staff development that in turn adds to the quality of our own provision. The Trust has continued to be successful within its bid applications for funding that enables both remedial and developmental work. This improves the quality of the learning environment and its safety and security. The Trust is continuing with steady expansion in order to extend its reach and impact whilst making the MAT overhead costs more sustainable. The Trust has developed further its review of external bought in services and is securing better value for money. The Trust has also negotiated services to apply across the MAT and hence delivers greater value. The Trust are reviewing the quality and costs of all of its bought in services each month in order to identify opportunities for review and improvements in value for money. We can evidence the continuing improvements arising from this".

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 charitable company 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 Prestolee Multi Academy Trust for the period 1 September 2021 to 31 August 2022 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 charitable company 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 charitable company's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the trustees.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees have been under development.
- Regular reviews by the finance committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

PRESTOLEE MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Board of Trustees has considered the need for a specific internal audit function and decided to use an independent auditor (Hallidays) to perform the internal RO function. In addition to this the Trust conducts internal QA and best practice benchmarking alongside internal audits conducted by the MAT team. Hallidays accountants have acted as independent RO and have reported to the board.

- Testing of payroll systems
- Testing of purchasing systems
- Testing of Income receipting and reconciliation
- Testing of Expenses and Reimbursement
- Testing of Accounting and Bank Reconciliation
- Testing of Accounting for Assets

The internal auditor has conducted the above testing as planned. There were no material control issues identified.

Review of effectiveness

As AO, the CEO 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 Hallidays as RO;
- the work of the external auditor; and
- 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 finance committee and a plan to address any weaknesses to ensure that continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2022 and signed on its behalf by:


.....
Mr A Gallimore
Chair of Trustees


.....
Mr M Tonge
Accounting Officer

PRESTOLEE MULTI ACADEMY TRUST

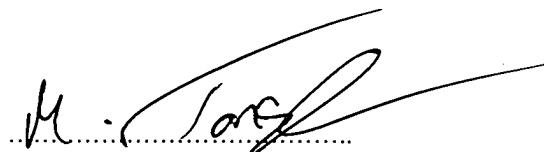
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Prestolee Multi Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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.



Mr M Tonge
Accounting Officer

Date: 13 December 2022

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of Prestolee Multi Academy Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 13 December 2022 and signed on its behalf by:


.....
Mr A. Gallimore
Chair of Trustees

PRESTOLEE MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTOLEE MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Prestolee Multi Academy Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

PRESTOLEE MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTOLEE MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

PRESTOLEE MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRESTOLEE MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Use of our report

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

Candice Beynon

Candice Beynon FCCA (Senior Statutory Auditor)

**for and on behalf of
Chartered Accountants**

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date: *13/12/2022*

PRESTOLEE MULTI ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRESTOLEE MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 20 July 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Prestolee Multi Academy Trust during the period 1 September 2021 to 31 August 2022 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 Prestolee Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Prestolee Multi 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 Prestolee Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Prestolee Multi Academy Trust's funding agreement with the Secretary of State for Education dated 23 March 2015 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 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 trust's income and expenditure.

PRESTOLEE MULTI ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRESTOLEE MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Haines Watts

Haines Watts
Reporting Accountant

Date: 13/12/2022

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds	Restricted funds:		Total 2022	Total 2021 as restated
	Notes	£'000	General	Fixed asset	£'000	£'000
Income and endowments from:						
Donations and capital grants	3	-	20	297	317	477
Donations - transfer from local authority on conversion	25	-	(186)	2,170	1,984	-
Charitable activities:						
- Funding for educational operations	4	-	7,299	-	7,299	6,948
- Teaching school		-	565	-	556	736
Other trading activities	5	327	116	-	443	336
Total		<u>327</u>	<u>7,814</u>	<u>2,467</u>	<u>10,608</u>	<u>8,497</u>
Expenditure on:						
Charitable activities:						
- Educational operations	8	218	7,932	407	8,557	7,774
- Teaching school		-	663	-	663	581
Total	6	<u>218</u>	<u>8,595</u>	<u>407</u>	<u>9,220</u>	<u>8,355</u>
Net income/(expenditure)		109	(781)	2,060	1,388	142
Transfers between funds	16	-	(75)	75	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	5,569	-	5,569	(1,071)
Net movement in funds		109	4,713	2,135	6,957	(929)
Reconciliation of funds						
Total funds brought forward		440	(3,970)	14,681	11,151	12,080
Total funds carried forward		<u>549</u>	<u>743</u>	<u>16,816</u>	<u>18,108</u>	<u>11,151</u>

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021 As restated	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000
Income and endowments from:					
Donations and capital grants	3	2	1	474	477
Charitable activities:					
- Funding for educational operations	4	-	6,948	-	6,948
- Teaching school		-	736		736
Other trading activities	5	276	60	-	336
Total		<u>278</u>	<u>7,745</u>	<u>474</u>	<u>8,497</u>
Expenditure on:					
Charitable activities:					
- Educational operations	8	210	7,739	406	8,355
- Teaching school		-	581	-	581
Total	6	<u>210</u>	<u>7,739</u>	<u>406</u>	<u>8,355</u>
Net income		68	6	68	142
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(1,071)	-	(1,071)
Net movement in funds		68	(1,065)	68	(929)
Reconciliation of funds					
Total funds brought forward		372	(2,905)	14,613	12,080
Total funds carried forward		<u>440</u>	<u>(3,970)</u>	<u>14,681</u>	<u>11,151</u>

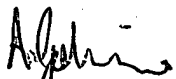
PRESTOLEE MULTI ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

		2022		2021 as restated	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	12		16,633		14,454
Current assets					
Debtors	13	959		694	
Cash at bank and in hand		1,136		1,597	
		2,095		2,291	
Current liabilities					
Creditors: amounts falling due within one year	14	(201)		(523)	
Net current assets			1,894		1,768
Net assets excluding pension liability			18,527		16,222
Defined benefit pension scheme liability	18		(419)		(5,071)
Total net assets			18,108		11,151
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			16,816		14,681
- Restricted income funds			1,162		1,101
- Pension reserve			(419)		(5,071)
Total restricted funds			17,559		10,711
Unrestricted income funds	16		549		440
Total funds			18,108		11,151

The accounts were approved by the trustees and authorised for issue on 13/12/22 and are signed on their behalf by:



 Mr A Gallimore
 Chair of Trustees

Company registration number 09481323

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

		2022	2021
	Notes	£'000	as restated £'000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(412)	204
Cash funds transferred on conversion	25	70	-
		<u>(342)</u>	<u>204</u>
Cash flows from investing activities			
Capital grants from DfE Group		297	475
Purchase of tangible fixed assets		(416)	(248)
Net cash (used in)/provided by investing activities		<u>(119)</u>	<u>227</u>
Net (decrease)/increase in cash and cash equivalents in the reporting period		<u>(461)</u>	<u>431</u>
Cash and cash equivalents at beginning of the year		1,597	1,166
Cash and cash equivalents at end of the year		<u><u>1,136</u></u>	<u><u>1,597</u></u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Prestolee Multi Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Prestolee Multi Academy trust meets the definition of a public benefit entity under FRS102.

1.2 Going concern

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

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Springside Primary School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 25.

1.4 Income

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

Grants

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

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

Sponsorship income

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

Donations

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

Other income

Other income, including the hire of facilities, catering income and fees for out of school care, Teaching School and SCITT, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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

Donated fixed assets

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

1.5 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. This includes redundancy and severance payments.

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

Whilst not registered for VAT and operating under VAT126 arrangements, resources will be recorded net of VAT, with the exception of business costs where VAT is irrecoverable. All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Charitable activities

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

1.6 Tangible fixed assets and depreciation

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 that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	2% per annum straight-line (125 years for land)
Assets under construction	nil until brought into use
Computer equipment	33% per annum straight-line
Fixtures, fittings & equipment	15% per annum straight-line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.7 Liabilities

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

1.8 Leased assets

Rentals payable under operating leases are charged on a straight line basis over the period of the lease.

1.9 Financial instruments

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

Financial assets

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

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Financial liabilities

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

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

1.10 Taxation

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

1.11 Pensions benefits

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

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

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

1.12 Fund accounting

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

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

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The academy 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 18, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	297	297	474
Other donations	-	20	20	3
	<u>-</u>	<u>317</u>	<u>317</u>	<u>477</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	5,595	5,595	5,164
Other DfE/ESFA grants:				
- UIFSM	-	114	114	165
- Pupil premium	-	503	503	478
- Start up grants	-	50	50	-
- ITT bursaries grants	-	-	-	64
- DfE/ESFA Teachers' pension grant	-	16	16	174
- DfE/ESFA Teachers' pay grant	-	6	6	61
- DfE/ESFA Sports premium	-	95	95	91
- DfE teaching school grants	-	-	-	40
- Others	-	257	257	7
	<u>-</u>	<u>6,636</u>	<u>6,636</u>	<u>6,244</u>
Other government grants				
Local authority grants	-	663	663	706
Special educational projects	-	565	565	632
	<u>-</u>	<u>1,228</u>	<u>1,228</u>	<u>1,338</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	-	-	95
Other DfE/ESFA COVID-19 funding	-	-	-	7
	<u>-</u>	<u>-</u>	<u>-</u>	<u>102</u>
Total funding	<u>-</u>	<u>7,864</u>	<u>7,864</u>	<u>7,684</u>

Local authority grants comprise high needs funding and early years funding of £663,000 (2021: £706,000).

There were no unfulfilled conditions or other contingencies in respect of government grant funding.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	13	1	14	4
Catering income	-	80	80	47
School trips	-	35	35	12
Other income	314	-	314	273
	<u>327</u>	<u>116</u>	<u>443</u>	<u>336</u>

6 Expenditure

	Staff costs £'000	Non-pay expenditure		Total 2022 £'000	Total 2021 £'000
		Premises £'000	Other £'000		
Academy's educational operations					
- Direct costs – educational operations	4,872	-	571	5,443	4,862
- Direct costs – teaching school	354	-	172	526	438
- Support costs – educational operations	1,568	808	669	3,045	2,807
- Support costs – teaching school	82	-	56	138	191
	<u>6,876</u>	<u>808</u>	<u>1,468</u>	<u>9,152</u>	<u>8,298</u>

Net income/(expenditure) for the year includes:

	2022 £'000	2021 £'000
Fees payable to auditor for:		
- Audit	21	17
- Other services	4	4
Operating lease rentals	4	4
Depreciation of tangible fixed assets	407	406
Net interest on defined benefit pension liability	91	64

7 Central services

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

- human resources;
- financial services;
- legal services; and
- educational support services.

The academy trust charges for these services by recharging costs as incurred rather than charging a flat rate percentage of GAG. This has been evaluated by the trustees and the method agreed.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Central services

(Continued)

The amounts charged during the year were as follows:

	2022 £'000	2021 £'000
Prestolee Primary School	67	54
Bowness Primary School	34	34
Barton Moss Community Primary School	58	55
Waterloo Primary School	133	94
Tottington Primary School	82	73
SCITT	45	45
Springside Primary School	15	-
	<u>434</u>	<u>355</u>

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Direct costs				
Educational operations	159	5,810	5,969	5,300
Support costs				
Educational operations	59	3,192	3,251	3,055
	<u>218</u>	<u>9,002</u>	<u>9,220</u>	<u>8,355</u>
Analysis of costs				
			2022 £'000	2021 £'000
Direct costs				
Teaching and educational support staff costs			5,232	4,787
Staff development			31	36
Technology costs			42	8
Educational supplies and services			221	175
Other direct costs			443	294
			<u>5,969</u>	<u>5,300</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Charitable activities		(Continued)	
Support costs	2022 £'000	2021 £'000	
Support staff costs	1,658	1,489	
Depreciation	407	406	
Technology costs	79	114	
Maintenance of premises and equipment	141	148	
Cleaning	111	94	
Energy costs	125	90	
Rent, rates and other occupancy costs	56	58	
Insurance	25	23	
Security and transport	6	-	
Catering	319	302	
Interest on defined benefit pensions scheme	91	64	
Legal costs	145	198	
Other support costs	66	44	
Governance costs	22	25	
	<u>3,251</u>	<u>3,055</u>	
9 Staff			
Staff costs			
Staff costs during the year were:			
	2022 £'000	2021 £'000	
Wages and salaries	4,552	4,297	
Social security costs	439	393	
Pension costs	1,623	1,362	
Staff costs - employees	<u>6,614</u>	<u>6,052</u>	
Agency staff costs	179	166	
Staff restructuring costs	84	52	
	<u>6,877</u>	<u>6,270</u>	
Staff development and other staff costs	37	42	
Total staff expenditure	<u>6,914</u>	<u>6,312</u>	
Staff restructuring costs comprise:			
Redundancy payments	-	6	
Severance payments	84	46	
	<u>84</u>	<u>52</u>	

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Staff

(Continued)

Severance payments

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

0 - £25,000	1
£25,001 - £50,000	2

Special staff severance payments

Special staff severance payments are amounts paid to employees outside of statutory and contractual requirements. Included in staff restructuring costs are special severance payments totalling £70,000 (2021: £23,000). Individually, the payments were: £22,000, £18,000 and £30,000.

Staff numbers

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

	2022 Number	2021 Number
Teachers	68	56
Administration and support	121	123
Management	21	16
	<u>210</u>	<u>195</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	3	2
£70,000 - £80,000	2	1
£80,001 - £90,000	1	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	1
	<u>7</u>	<u>6</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £926,000 (2021: £995,000).

10 Trustees' remuneration and expenses

There have been no trustee expenses or remuneration in the year (2021: £Nil).

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost					
At 1 September 2021	14,572	78	408	1,026	16,084
Transfer on conversion	2,248	(78)	-	-	2,170
Additions	297	-	42	77	416
At 31 August 2022	17,117	-	450	1,103	18,670
Depreciation					
At 1 September 2021	834	-	325	471	1,630
Charge for the year	209	-	56	142	407
At 31 August 2022	1,043	-	381	613	2,037
Net book value					
At 31 August 2022	16,074	-	69	490	16,633
At 31 August 2021	13,738	78	83	555	14,454

The net book value of land and buildings comprises:

	2022 £'000	2021 £'000
Freeholds	1,890	222
Long leaseholds (over 50 years)	14,184	13,960
	16,074	13,738

13 Debtors

	2022 £'000	2021 £'000
Trade debtors	29	52
VAT recoverable	512	321
Prepayments and accrued income	418	321
	959	694

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

14 Creditors: amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	1	217
Other creditors	48	71
Accruals and deferred income	152	235
	<u>201</u>	<u>523</u>

15 Deferred income

	2022 £'000	2021 £'000
Deferred income is included within:		
Creditors due within one year	<u>82</u>	<u>76</u>
Deferred income at 1 September 2021	76	89
Released from previous years	(76)	(89)
Resources deferred in the year	<u>82</u>	<u>76</u>
Deferred income at 31 August 2022	<u>82</u>	<u>76</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains; losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	1,101	5,595	(5,459)	(75)	1,162
Start up grants	-	50	(50)	-	-
UIFSM	-	114	(114)	-	-
Pupil premium	-	503	(503)	-	-
Other DfE/ESFA grants	-	352	(352)	-	-
Other government grants	-	1,228	(1,228)	-	-
Teachers' pension grant	-	16	(16)	-	-
Teachers' pay grant	-	6	(6)	-	-
Other restricted funds	-	206	(206)	-	-
Pension reserve	(5,071)	(256)	(661)	5,569	(419)
	<u>(3,970)</u>	<u>7,814</u>	<u>(8,595)</u>	<u>5,494</u>	<u>743</u>
Restricted fixed asset funds					
Inherited on conversion	13,769	2,170	(224)	-	15,715
DfE group capital grants	781	297	(168)	-	910
Capital expenditure from GAG	126	-	(13)	75	188
Private sector capital sponsorship	5	-	(2)	-	3
	<u>14,681</u>	<u>2,467</u>	<u>(407)</u>	<u>75</u>	<u>16,816</u>
Total restricted funds	<u>10,711</u>	<u>10,281</u>	<u>(9,002)</u>	<u>5,569</u>	<u>17,559</u>
Unrestricted funds					
General funds	<u>440</u>	<u>327</u>	<u>(218)</u>	<u>-</u>	<u>549</u>
Total funds	<u>11,151</u>	<u>10,608</u>	<u>(9,220)</u>	<u>5,569</u>	<u>18,108</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure. £75,000 has been transfers to the restricted fixed asset fund for assets funded by revenue grants.

The pension value as at 31 August 2022 has been determined by the actuary which is now showing the academy trust as having a pension asset as at 31 August 2022 for Barton Moss Primary and Waterloo Primary. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy. The difference between the NBV of the fixed assets on the balance sheet to the fixed asset fund relates to unspent CIF income.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2022.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	679	5,164	(4,742)	-	1,101
UIFSM	-	165	(165)	-	-
Pupil premium	-	478	(478)	-	-
Catch-up premium	-	95	(95)	-	-
Other DfE/ESFA COVID-19 funding	-	7	(7)	-	-
Other DfE/ESFA grants	-	172	(172)	-	-
Other government grants	-	1,338	(1,338)	-	-
Teachers' pension grant	-	174	(174)	-	-
Teachers' pay grant	-	91	(91)	-	-
Other restricted funds	-	61	(61)	-	-
Pension reserve	(3,584)	-	(416)	(1,071)	(5,071)
	<u>(2,905)</u>	<u>7,745</u>	<u>(7,739)</u>	<u>(1,071)</u>	<u>(3,970)</u>
Restricted fixed asset funds					
Inherited on conversion	14,037	-	(211)	-	13,826
DfE group capital grants	425	474	(175)	-	724
Capital expenditure from GAG	144	-	(18)	-	126
Private sector capital sponsorship	7	-	(2)	-	5
	<u>14,613</u>	<u>474</u>	<u>(406)</u>	<u>-</u>	<u>14,681</u>
Total restricted funds	<u>11,708</u>	<u>8,219</u>	<u>(8,145)</u>	<u>(1,071)</u>	<u>10,711</u>
Unrestricted funds					
General funds	<u>372</u>	<u>278</u>	<u>(210)</u>	<u>-</u>	<u>440</u>
Total funds	<u>12,080</u>	<u>8,497</u>	<u>(8,355)</u>	<u>(1,071)</u>	<u>11,151</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

16 Funds

(Continued)

Total funds analysis by academy

	2022 £'000	2021 £'000
Fund balances at 31 August 2022 were allocated as follows:		
Prestolee Primary School	247	239
Bowness Primary School	284	228
Barton Moss Primary School	141	151
Waterloo Primary School	575	379
Prestolee Teaching School	(25)	4
SCITT	349	440
Tottington Primary School	88	164
Central services	9	(64)
Springfield Primary School	43	-
Total before fixed assets fund and pension reserve	1,711	1,541
Restricted fixed asset fund	16,816	14,681
Pension reserve	(419)	(5,071)
Total funds	18,108	11,151

Prestolee Teaching School is in deficit.

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2022 £'000	Total 2021 £'000
Prestolee Primary School	869	106	123	133	1,231	1,091
Bowness Primary School	437	66	46	101	650	697
Barton Moss Community Primary School	683	110	190	202	1,184	1,118
Waterloo Primary School	1,175	145	114	255	1,690	1,768
Prestolee Teaching School	-	29	-	-	29	-
SCITT	354	82	172	56	663	580
Tottington Primary School	1,415	189	122	195	1,920	1,864
Central services	171	273	4	48	496	414
Springfield Primary School	236	15	12	26	289	-
	5,339	1,014	784	1,015	8,152	7,532

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	16,633	16,633
Current assets	549	1,363	183	2,095
Current liabilities	-	(201)	-	(201)
Pension scheme liability	-	(419)	-	(419)
Total net assets	549	743	16,816	18,108
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	14,454	14,454
Current assets	963	1,061	227	2,291
Current liabilities	(523)	-	-	(523)
Pension scheme liability	-	(5,071)	-	(5,071)
Total net assets	440	(4,010)	14,681	11,151

18 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

Introduction

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

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £675,000 (2021: £662,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.3% for employers and 5.5 to 12.5% for employees.

As described in note 25 the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations

(Continued)

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	395	374
Employees' contributions	94	89
Total contributions	489	463
Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.74	3.65
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	20.30	20.50
- Females	23.20	23.30
Retiring in 20 years		
- Males	21.90	21.90
- Females	25.30	25.30

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

Sensitivity analysis

Changes in assumptions at 31 August 2022 for Barton Moss Primary School

	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2%	22
0.1% increase in the Salary Increase Rate	0%	1
1 year increase in member life expectancy	4%	37
0.1% increase in the Pension Increase Rate	2%	121

Changes in assumptions at 31 August 2022 for Bowness Primary School

	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	9
0.1% increase in the Salary Increase Rate	0%	-
1 year increase in member life expectancy	4%	13
0.1% increase in the Pension Increase Rate	3%	9

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations (Continued)

Changes in assumptions at 31 August 2022 for Prestolee Primary School	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	49
0.1% increase in the Salary Increase Rate	0%	6
1 year increase in member life expectancy	4%	67
0.1% increase in the Pension Increase Rate	3%	43
Changes in assumptions at 31 August 2022 for Waterloo Primary School	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	44
0.1% increase in the Salary Increase Rate	0%	6
1 year increase in member life expectancy	4%	64
0.1% increase in the Pension Increase Rate	2%	38
Changes in assumptions at 31 August 2022 for Tottington Primary School	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	30
0.1% increase in the Salary Increase Rate	0%	4
1 year increase in member life expectancy	4%	45
0.1% increase in the Pension Increase Rate	2%	27

The academy trust's share of the assets in the scheme	2022 Fair value £'000	2021 Fair value £'000
Equities	4,238	3,479
Bonds	861	736
Property	553	343
Other assets	490	342
Total market value of assets	<u>6,142</u>	<u>4,900</u>

The actual return on scheme assets was £52,000 (2021: £775,000).

Amount recognised in the statement of financial activities	2022 £'000	2021 £'000
Current service cost	964	726
Past service cost	1	-
Interest income	(91)	(66)
Interest cost	182	130
Total operating charge	<u>1,056</u>	<u>790</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Pension and similar obligations		(Continued)	
Changes in the present value of defined benefit obligations		2022	2021
		£'000	£'000
At 1 September 2021		9,971	7,289
Obligations acquired on conversion		1,003	-
Current service cost		964	726
Interest cost		182	130
Employee contributions		94	89
Actuarial (gain)/loss		(5,608)	1,780
Benefits paid		(46)	(43)
Past service cost		1	-
At 31 August 2022		6,561	9,971
Changes in the fair value of the academy trust's share of scheme assets		2022	2021
		£'000	£'000
At 1 September 2021		4,900	3,705
Assets acquired on conversion		747	-
Interest income		91	66
Actuarial loss/(gain)		(39)	709
Employer contributions		395	374
Employee contributions		94	89
Benefits paid		(46)	(43)
At 31 August 2022		6,142	4,900
19 Reconciliation of net income to net cash flow from operating activities		2022	2021
		£'000	£'000
Net income for the reporting period (as per the statement of financial activities)		1,388	142
Adjusted for:			
Net surplus on conversion to academy	25	(1,984)	-
Capital grants from DfE and other capital income		(297)	(474)
Defined benefit pension costs less contributions payable	18	570	352
Defined benefit pension scheme finance cost	18	91	64
Depreciation of tangible fixed assets		407	406
(Increase) in debtors		(265)	(368)
(Decrease)/increase in creditors		(322)	82
Net cash (used in)/ provided by operating activities		(412)	204

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Analysis of changes in net funds

	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	1,597	(461)	1,136

21 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	3	3
Amounts due in two and five years	1	4
	<u>4</u>	<u>7</u>

22 Capital commitments

	2022 £'000	2021 £'000
Expenditure contracted for but not provided in the accounts	-	469

There are no capital commitments as at 31 August 2022. (2021: £469,000).

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

23 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academies Trust Handbook 2021, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Expenditure related party transaction

Bowlee Park Community School a school at which M Tonge's (CEO) partner is headteacher. The trust made payments of £5,450 (2021: £7,300). There were no amounts outstanding as at 31 August 2022 (2021: £Nil).

Bright Futures Education trust a trust at which M. Tonge (CEO) is a director. The trust made payments of £1,433 (2021: £Nil). There were no amounts outstanding as at 31 August 2022 (2021: £Nil).

Woodbank Community Primary School a school at which K. Macadam (Member) is headteacher. The trust made payments of £5,450 (2021: £Nil). There were no amounts outstanding as at 31 August 2022 (2021: £Nil).

Income related party transaction

Roch Valley Trust a school at which S. Farnworth (Member) is a trustee. The trust received income of £Nil (2021: £700), relating to internal audit services. There were no amounts outstanding as at 31 August 2022 (2021: £Nil).

24 Members' liability

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

25 Conversion to an academy

On 1 June 2022, Springside Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Prestolee Multi Academy Trust from Bury Metropolitan Borough Council for £nil Consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain/loss in the statement of financial activities as donations - transfer from local authority on conversion.

The following table set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion
Springside Primary School	Bury	1 June 2022

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

25 Conversion to an academy

(Continued)

	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000
Net assets transferred:				
Leasehold land and buildings	-	-	2,170	2,170
Cash	70	-	-	70
Pension scheme deficit	-	(256)	-	(256)
	<u>70</u>	<u>(256)</u>	<u>2,170</u>	<u>1,984</u>

	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	2,170	2,170
LA budget funds	-	70	-	70
LGPS pension funds	-	(256)	-	(256)
	<u>-</u>	<u>(186)</u>	<u>2,170</u>	<u>1,984</u>

26 Prior period adjustment

	Notes	1 September 2020 £'000	31 August 2021 £'000
Reconciliation of funds			
Funds as previously reported		12,245	11,373
Adjustments arising:			
Land depreciation to 31 August 2021		(165)	(222)
Funds as restated		<u>12,080</u>	<u>11,151</u>

	2021 £'000
Reconciliation of net income for the previous financial period	
Net income as previously reported	199
Adjustments arising:	
Land depreciation to 31 August 2021	(57)
Net income as restated	<u>142</u>

Notes to restatement

1. Land and buildings

We have reviewed the leasehold land held by the academy trust to ensure that it has been depreciated in line with the term of the lease. As the land is only available to the leaseholder for the period of the lease, it should be depreciated over this time with no residual value. The only effect to the prior year SOFA is the depreciation charge for 2021.