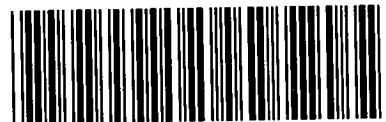


PRESTOLEE MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2021

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

THURSDAY



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03/02/2022

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COMPANIES HOUSE

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

Mr A Gallimore (Chair of Trustees)
Mrs L Gartside
Mr A Sargeant
Mr J Whitham

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

Mr M Tonge
Mrs R Dunne
Mr M Govier
Mr S Holden
Mrs A Keane
Mrs V Unsworth
Mrs K Forster
Mr D Harris (Acting since 12/02/21)
Mrs D Taylor

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
SCITT

Independent Auditor

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

Bankers

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

Solicitors

Browne Jacobson, 3 Piccadilly Place, Manchester, M1 3BN

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

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

The Trust operates five academies in Bolton, Salford, Tameside and Bury with a combined pupil capacity of 1,341 and had a total roll of 1,166 as the basis for 2021-22 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.

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

In accordance with normal commercial practice the academy trust has purchased professional indemnity and directors' and officers' insurance to protect the trustees and officers from claims arising from negligence, errors or omissions occurring whilst on academy trust business. Further details are disclosed at note 11.

Method of recruitment and appointment or election of trustees

The Members may appoint up to five 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 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 2021

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

Related parties and other connected charities and organisations

The trust have declared a SCITT student placement at Bowlee Park Primary where a placement was procured at standard cost.

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 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 2021, this consisted of £ £74,935.46. 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.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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. 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. 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 in 2018. The Trust has been successful in implementing a pilot exercise that has established outstanding ITT practice in areas of need in the North West.

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. The Trust has maintained the outstanding standards at Prestolee Primary School.

Bowness Primary School has been rated by OFSTED as Good in 2018. Bowness continues to improve.

Barton Moss has also been rated by OFSTED as good in 2020 just prior to the first COVID lockdown.

The Prestolee SCITT operates additional SCITT hubs for trainee teachers in the region.

In November 2019, Tottington Primary School (rated good with outstanding features) joined the MAT.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 four schools are developing their community engagement, community and childcare facilities and strong engagement with its parents and community. The academy 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

Measures this year are affected nationally by the response to COVID

Last published National 2019		Internal Tracking Data – Assessment only Summer 2021				
EYFS		Barton Moss	Bowness	Prestolee	Tottington	Waterloo
Baseline - % below, on track, exceeding	-	92% 8% 0%	100% 0% 0%	91% 9% 0%	78% 22% 0%	91% 9% 0%
GLD -% on track	72%	63%	77%	56%	62%	60%
Key Stage 1						
% of children on track in phonics – Y1	82%	70%	82%	97%	71%	72%
		Target 74%	82%	95% predicted	Target 85%	70% predicted
% of children on track in Y1 R, W, M	-	comb- 54%	55%	71%	51%	44%
% of children on track in phonics – Y2	91%	87%	100%	97%	82%	79%
% of children on track – combined in Reading, Writing and Maths in Y2	65%	40%	64%	50%	51%	37%
% of children on track in Reading in Y2	75%	50%	64%	70%	67%	49%
% of children on track in Writing in Y2	68%	53%	64%	63%	51%	37%
% of children on track in Maths in Year 2	74%	57%	82%	70%	79%	37%
% of children on track to achieve higher standard – combined in Reading, Writing and Maths in Y2	11%	0%	9%	7%	14%	0%
% children on track to achieve higher standard in Reading in Y2	25%	7%	9%	27%	28%	0%
% of children on track to achieving higher standard in Writing in Y2	15%	0%	9%	13%	14%	0%
% of children on track to achieving higher standard in Maths in Y2	21%	7%	27%	20%	23%	0%

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Last published National 2019		Internal Tracking Data – Assessment only Summer 2021				
EYFS		Barton Moss	Bowness	Prestolee	Tottington	Waterloo
Lower Key Stage 2						
% on track Y3 R, W, M	-	comb- 57%	44%	43%	36%	21%
% on track Y4 R, W, M	-	com- 66%	21%	57%	66%	14%
% on track to achieve standard for times tables – Y4	-	38%	No data	63%	45%	53%
Upper Key Stage 2	-					
% on track Y5 R, W, M	-	com- 54%	21%	38%	44%	34%
% on track Y6 to achieving expected standard – combined	65%	62%	45%	71%	70%	56%
% on track Y6 - Reading	73%	79%	70%	81%	78%	74%
% on track Y6 - Writing	79%	66%	50%	81%	70%	61%
% on track Y6 - Maths	79%	79%	60%	71%	83%	66%
% on track Y6 - SPAG	78%	76%	57%	87%	79%	84%
% on track to achieving higher standard – combined in Reading, Writing and Maths in Year 6 (scaled score 110 plus)	11%	10%	0%	19%	23%	2%
% on track to achieving higher standard in Reading Y6	27%	28%	40%	42%	40%	39%
% on track to achieving higher standard in Writing Y6	20%	10%	10%	19%	30%	2%
% on track to achieving higher standard in Maths Y6	27%	31%	10%	36%	33%	21%
% on track to achieving higher standard in SPAG Y6	36%	34%	19%	43%	30%	39%

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2018

Barton Moss Primary School – Good 2020

Bowness Primary School – Good 2018

Waterloo Primary School – Requires Improvement

Other Finance, Absence, Pupils and Performance related KPIs relate to 2019-20 and are published here:

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

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

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

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

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

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 2021 is £1,101,000 in restricted reserves, a pension deficit of £5,071,000, fixed asset reserve of £14,903,000 and unrestricted reserves of £440,000.

Individually restricted and unrestricted reserves are:

Prestolee Primary School	£239,000
Bowness Primary School	£223,000
Barton Moss Primary	£151,000
Waterloo Primary School	£379,000
Tottington Primary School	£164,000
Prestolee Teaching School	£4,000
SCITT	£440,000
Central Services	(£64,000)
Total funds	£1,541,000

The Central Services fund (MAT) is in deficit. A restructuring of the finances of the MAT fund has taken place.

All schools have had a positive in-year surplus in 2020-21.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

All schools and the Trust remain in overall surplus at 31/08/2020.

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

Significant events

Tottington Primary School (Good with outstanding features) joined the Trust in November 2019.

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.

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 31 August 2021, this consisted of £ £70,908. These finances are segregated from the MAT's Revenue funding.

PRESTOLEE MULTI ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 £955,000 including on-costs (£669,000 declared in 2019/20).

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 14 December 2021 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 2021

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 3 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 2021

Governance reviews

The Trust has conducted an annual review of governance arrangements and as a result has revised the governance document. The Trust has conducted an audit of skills and competence and has reviewed board composition and training. 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 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the 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 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the 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 2021

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 14 December 2021 and signed on its behalf by:


.....
Mr A Gallimore
Chair of Trustees


.....
Mr M Tonge
Accounting Officer

PRESTOLEE MULTI ACADEMY TRUST

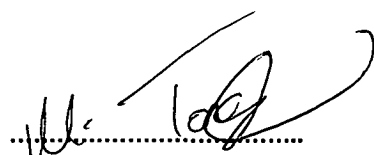
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2021

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 Academies Financial Handbook 2020.

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 Academies Financial Handbook 2020.

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



M M Tonge
Accounting Officer

Date: 14 December 2021

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 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:

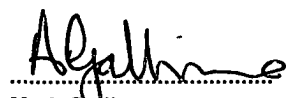
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 14 December 2021 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 2021

Opinion

We have audited the accounts of Prestolee Multi Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of 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 2020 to 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2020 to 2021.

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 trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. 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.

In connection with our audit of the accounts, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. 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 2021

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.

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

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:

PRESTOLEE MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

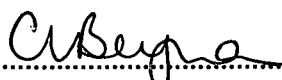
- Identify and assess the risks of material misstatement of the group's or the parent charitable company's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis 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.
- 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 for the audit of the accounts is located on the Financial Reporting Council's website at: <http://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 FCCA

for and on behalf of

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Date 14/12/2021

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 2021

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 2020 to 2021, 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 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy 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 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

Haines Watts
Reporting Accountant

Date.....14/12/2021

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 2021

		Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2021 £'000	Total 2020 £'000
Income and endowments from:						
Donations and capital grants	3	2	1	474	477	146
Donations - transfer from local authority on conversion		-	-	-	-	3,876
Charitable activities:						
Funding for educational operations	4	-	6,948	-	6,948	6,075
Teaching school	25		736	-	736	695
Other trading activities	5	276	60	-	336	296
Total		278	7,745	474	8,497	11,088
Expenditure on:						
Charitable activities:						
Academy trust educational operations	8	210	7,158	349	7,717	6,874
Teaching school	25		581	-	5,818	465
Total	6	210	7,739	349	8,298	7,339
Net income/ (Expenditure)		68	6	125	199	3,749
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	18	-	(1,071)	-	(1,071)	(595)
Net movement in funds		68	(1,065)	125	(872)	3,154
Reconciliation of funds						
Total funds brought forward		372	(2,905)	14,778	12,245	9,091
Total funds carried forward		440	(3,970)	14,903	11,373	12,245

PRESTOLEE MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2020		funds	General	Fixed asset	2020
	Notes	£'000	£'000	£'000	£'000
Income and endowments from:					
Donations and capital grants	3	3	-	143	146
Donations and transfer		145	(405)	4,136	3,876
Charitable activities:					
Funding for educational operations	4	-	6,770	-	6,775
Teaching school	25	-	695	-	695
Other trading activities	5	223	73	-	296
Total		371	6,438	4,279	11,088
Expenditure on:					
Charitable activities:					
Academy trust educational operations	8	77	6,469	333	6,874
Teaching schools	25	-	465	-	465
Total	6	77	6,929	333	7,339
Net income/(expenditure)		294	(491)	3,946	3,749
Transfers between funds	16	35	(53)	88	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	18	-	(595)	-	(595)
Net movement in funds		295	(1,139)	4,034	3,154
Reconciliation of funds					
Total funds brought forward		78	(1,820)	10,833	9,091
Total funds carried forward		337	(2,959)	14,867	12,245

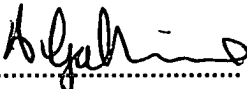
PRESTOLEE MULTI ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

		2021	2020
	Notes	£'000	£'000
Fixed assets			
Tangible assets	12	14,676	14,778
Current assets			
Debtors	13	694	326
Cash at bank and in hand		1,597	1,166
		2,291	1,492
Current liabilities			
Creditors: amounts falling due within one year	14	(523)	(441)
Net current assets		1,768	1,051
Net assets excluding pension liability		16,444	15,829
Defined benefit pension scheme liability	18	(5,071)	(3,584)
Total net assets		11,373	12,245
Funds of the academy trust:			
Restricted funds	16		
- Fixed asset funds		14,903	14,778
- Restricted income funds		1,101	679
- Pension reserve		(5,071)	(3,584)
Total restricted funds		10,933	11,873
Unrestricted income funds	16	440	372
Total funds		11,373	12,245

The accounts were approved by the trustees and authorised for issue on 14 December 2021 and are signed on their behalf by:


.....
Mr A Gallimore
Chair of Trustees

Company Number 09481323

PRESTOLEE MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	19	204	219
Cash flows from investing activities			
Capital grants from DfE Group		475	143
Purchase of tangible fixed assets		(248)	(157)
Net cash provided by/(used in) investing activities		227	(14)
Net increase in cash and cash equivalents in the reporting period		431	205
Cash and cash equivalents at beginning of the year		1,166	961
Cash and cash equivalents at end of the year		1,597	1,166

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 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 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.

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.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

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.

1.4 Expenditure

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

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.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

1.5 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 (land is not depreciated)
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.

1.6 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

1.7 Leased assets

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

1.8 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 2021

1 Accounting policies

Financial liabilities

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

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

1.9 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.

1.10 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.

1.11 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 2021

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.

Disclose the key assumptions concerning the future, other key sources of estimation uncertainty at the reporting date, and the nature and carrying amount at the end of the reporting period of assets and liabilities.

The main example that would apply to academy trusts is the estimates used in the valuing the local government pension scheme. As an example:

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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Capital grants	-	474	474	143
Other donations	2	1	3	3
	<u>2</u>	<u>475</u>	<u>477</u>	<u>146</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA grants				
General annual grant (GAG)	-	5,164	5,164	4,756
Other DfE/ESFA grants				
UFSM	-	165	165	129
Pupil premium	-	478	478	440
Teacher's pension grant	-	174	174	149
Teacher's pay grant	-	61	61	51
Sports premium	-	91	91	80
Other DfE/ESFA grants	-	7	7	-
	<u>-</u>	<u>6,140</u>	<u>6,140</u>	<u>5,605</u>
Other government grants				
Local authority grants	-	706	706	436
	<u>-</u>	<u>706</u>	<u>706</u>	<u>436</u>
COVID-19 additional funding				
DfE/ESFA				
Catch-up premium	-	95	95	34
Other DfE/ESFA COVID-19 funding	-	7	7	-
	<u>-</u>	<u>102</u>	<u>102</u>	<u>34</u>
Total funding	<u>-</u>	<u>6,948</u>	<u>6,948</u>	<u>6,075</u>

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

Local authority grants comprise high needs funding and early years funding of £706,000 (2020: £436,000).

The academy trust received £95,000 (2020: £34,000) for covid catch-up premium and cost incurred in respect of this totalled £95,000.

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 2021

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Hire of facilities	3	1	4	2
Catering income	-	47	47	45
School trips	-	12	12	28
Other income	273	-	273	221
	<u>276</u>	<u>60</u>	<u>336</u>	<u>296</u>

6 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2021 £'000	Total 2020 £'000
Academy's educational operations					
- Direct costs	4,781	-	519	5,300	4,702
- Allocated support costs	1,489	762	747	2,998	2,637
	<u>6,270</u>	<u>762</u>	<u>1,266</u>	<u>8,298</u>	<u>7,339</u>

Net income/(expenditure) for the year includes:

	2021 £'000	2020 £'000
Fees payable to auditor for:		
- Audit	17	14
- Other services	4	3
Operating lease rentals	4	4
Depreciation of tangible fixed assets	349	333
Net interest on defined benefit pension liability	64	51

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 2021

7 Central services

The amounts charged during the year were as follows:

	2021 £'000	2020 £'000
Prestolee Primary School	54	51
Bowness Primary School	34	33
Barton Moss Primary School	55	53
Waterloo Primary School	94	106
Tottington Primary School	73	30
Prestolee Teaching School	-	25
SCITT	45	33
	<u>355</u>	<u>331</u>

8 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2021 £'000	Total 2020 £'000
Direct costs				
Educational operations	159	5,141	5,300	4,702
Support costs				
Educational operations	51	2,947	2,998	2,637
	<u>210</u>	<u>8,088</u>	<u>8,298</u>	<u>7,339</u>

	2021 £'000	2020 £'000
Analysis of costs		
Direct costs		
Teaching and educational support	4,476	4,200
Staff development	34	22
Technology costs	8	3
Educational supplies and services	175	124
Other direct costs	175	353
	<u>4,868</u>	<u>4,702</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Charitable activities

Support costs	2021 £'000	2020 £'000
Support staff costs	1,411	1,298
Depreciation	349	333
Technology costs	109	67
Maintenance of premises and equipment	148	149
Cleaning	94	83
Energy costs	90	74
Rent, rates and other occupancy costs	44	62
Insurance	19	22
Catering	302	261
Interest on defined benefit pension scheme	64	51
Legal costs	179	179
Other support costs	19	54
Governance costs	21	4
	<u>2,849</u>	<u>2,637</u>
	<u>7,717</u>	<u>7,339</u>

9 Staff

Staff costs

Staff costs during the year were:

	2021 £'000	2020 £'000
Wages and salaries	4,297	3,807
Social security costs	393	342
Pension costs	1,362	1,151
	<u>6,052</u>	<u>5,300</u>
Staff costs - employees	6,052	5,300
Agency staff costs	166	138
Staff restructuring costs	52	60
	<u>6,270</u>	<u>5,498</u>
Staff development and other staff costs	42	22
	<u>6,312</u>	<u>5,520</u>
Total staff expenditure	<u>6,312</u>	<u>5,520</u>
Staff restructuring costs comprise:		
Redundancy payments	6	39
Severance payments	46	21
	<u>52</u>	<u>60</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

9 Staff

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory and non-contractual severance payments totalling £46,000 (2020: £21,325). Individually, the payments were made up of £23,000 non contractual element and £23,000 contractual.

Staff numbers

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

	2021 Number	2020 Number
Teachers	56	57
Administration and support	123	132
Management	16	20
	<u>195</u>	<u>209</u>

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	2	3
£70,000 - £80,000	1	1
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1
	<u>6</u>	<u>5</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 £955,000 (2020: £669,000).

10 Trustees' remuneration and expenses

There have been no trustee expenses or remuneration in year (2020: £Nil).

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.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Land and buildings	Assets under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2020	14,572	-	383	881	15,836
Additions	-	78	25	145	248
At 31 August 2021	14,572	78	408	1,026	16,084
Depreciation					
At 1 September 2020	463	-	261	334	1,058
Charge for the year	149	-	64	137	350
At 31 August 2021	612	-	325	471	1,408
Net book value					
At 31 August 2021	13,960	78	83	555	14,676
At 31 August 2020	14,109	-	122	547	14,778

The net book value of land and buildings comprises:

	2021 £'000	2020 £'000
Long leaseholds (over 50 years)	13,960	14,109

13 Debtors

	2021 £'000	2020 £'000
Trade debtors	52	30
VAT recoverable	321	55
Prepayments and accrued income	321	241
	694	326

PRESTOLEE MULTI ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

14 Creditors: amounts falling due within one year

	2021	2020
	£'000	£'000
Trade creditors	217	221
Other creditors	71	79
Accruals and deferred income	235	141
	<u>523</u>	<u>441</u>

15 Deferred income

	2021	2020
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	76	89
	<u>76</u>	<u>89</u>
Deferred income at 1 September 2020	89	65
Released from previous years	(89)	(65)
Resources deferred in the year	76	89
	<u>76</u>	<u>89</u>
Deferred income at 31 August 2021	76	89

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 2021

16 Funds

	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)	-	-
Teacher's pension grant	-	174	(174)	-	-
Teacher's 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	14,202	-	(211)	-	13,991
DfE group capital grants	425	474	(118)	-	781
Capital expenditure from GAG	144	-	(18)	-	126
Private sector capital sponsorship	7	-	(2)	-	5
	<u>14,778</u>	<u>474</u>	<u>(349)</u>	<u>-</u>	<u>14,903</u>
Total restricted funds	<u>11,873</u>	<u>8,219</u>	<u>(8,088)</u>	<u>(1,071)</u>	<u>10,933</u>
Unrestricted funds					
General funds	<u>372</u>	<u>278</u>	<u>(210)</u>	<u>-</u>	<u>440</u>
Total funds	<u>12,245</u>	<u>8,497</u>	<u>(8,298)</u>	<u>(1,071)</u>	<u>11,373</u>

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.

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 2021.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

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

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	355	4,756	(4,433)	1	679
Pupil premium	-	440	(440)	-	-
Other DfE/ESFA grants	98	610	(708)	-	-
Other government grants	-	964	(964)	-	-
Other restricted funds	-	73	(73)	-	-
Pension reserve	(2,273)	(405)	(311)	(595)	(3,584)
	<u>(1,820)</u>	<u>6,438</u>	<u>(6,929)</u>	<u>(594)</u>	<u>(2,905)</u>
Restricted fixed asset funds					
Transfer on conversion	10,277	4,136	(211)	-	14,202
DfE group capital grants	385	143	(102)	(1)	425
Capital expenditure from GAG	162	-	(18)	-	144
Private sector capital sponsorship	9	-	(2)	-	7
	<u>10,833</u>	<u>4,279</u>	<u>(333)</u>	<u>(1)</u>	<u>14,778</u>
Total restricted funds	<u>9,013</u>	<u>10,717</u>	<u>(7,262)</u>	<u>(595)</u>	<u>11,873</u>
Unrestricted funds					
General funds	<u>78</u>	<u>371</u>	<u>(77)</u>	<u>-</u>	<u>372</u>
Total funds	<u>9,091</u>	<u>11,088</u>	<u>(7,339)</u>	<u>(595)</u>	<u>12,245</u>

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

16 Funds

Total funds analysis by academy

	2021 £'000	2020 £'000
Fund balances at 31 August 2021 were allocated as follows:		
Prestolee Primary School	239	108
Bowness Primary School	228	205
Barton Moss Primary School	151	110
Waterloo Primary School	379	191
Tottington Primary School	164	218
Prestolee Teaching School	4	4
SCITT	440	258
Central services	64	(43)
Total before fixed assets fund and pension reserve	1,541	1,051
Restricted fixed asset fund	14,903	14,778
Pension reserve	(5,071)	(3,584)
Total funds	11,373	12,245

The Central Services fund (MAT), Tottington trading and Prestolee trading are in deficit. The trustees have plans to address these deficits moving forward.

Total cost analysis by academy

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

	Teaching educational support staff £'000	Other staff costs £'000	Other Educational supplies £'000	Other costs excluding depreciation £'000	Total 2021 £'000	Total 2020 £'000
Barton Moss Primary	674	106	83	255	1,118	1,097
Bowness Primary School	487	46	36	128	697	613
Central services	161	240	-	13	414	455
Prestolee Primary School	728	126	79	158	1,091	1,158
SCITT	311	79	127	64	580	461
Tottington Primary School	1,315	240	44	264	1,864	1,229
Waterloo Primary School	1,264	150	94	260	1,768	1,682
	4,940	987	462	1,142	7,532	6,695

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 are represented by:				
Tangible fixed assets	-	-	14,676	14,676
Current assets	963	1,061	227	2,291
Creditors falling due within one year	(523)	-	-	(523)
Defined benefit pension liability	-	(5,071)	-	(5,071)
Total net assets	440	(4,010)	14,903	11,373
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	14,778	14,778
Current assets	813	679	-	1,492
Creditors falling due within one year	(441)	-	-	(441)
Defined benefit pension liability	-	(3,584)	-	(3,584)
Total net assets	372	(2,905)	14,778	12,245

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 academies. All teachers have the option to opt out of the TPS following enrolment.

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

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

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 2023.

The employer's pension costs paid to the TPS in the period amounted to £662,000 (2020: £576,000).

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 % for employers and % for employees.

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

Total contributions made	2021 £'000	2020 £'000
Employer's contributions	374	312
Employees' contributions	89	73
Total contributions	463	385

PRESTOLEE MULTI ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

Principal actuarial assumptions	2021 %	2020 %
Rate of increase in salaries	3.65	3.0
Rate of increase for pensions in payment/inflation	2.90	2.2
Discount rate for scheme liabilities	1.65	1.7

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

	2021 Years	2020 Years
Retiring today		
- Males	20.5	20.5
- Females	23.3	23.1
Retiring in 20 years		
- Males	21.9	22.0
- Females	25.3	25.0

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

Sensitivity Analysis

Changes in assumptions at 31 August 2021	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	2-3%	278
0.1% increase in the Salary Increase Rate	0-4%	52
1 year increase in Member Life Expectancy	0-4%	378
0.1% increase in the Pension Increase Rate	2-3%	243

The academy trust's share of the assets in the scheme	2021 Fair value £'000	2020 Fair value £'000
Equities	3,479	2,519
Bonds	736	594
Property	343	259
Other assets	342	333
Total market value of assets	4,900	3,705

The actual return on scheme assets was £775,000 (2020: £(396,000)).

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

18 Pension and similar obligations

Amount recognised in the statement of financial activities	2021 £'000	2020 £'000
Current service cost	726	563
Past service cost	-	9
Interest income	(66)	(74)
Interest cost	130	125
Total operating charge	790	623
Changes in the present value of defined benefit obligations	2021 £'000	2020 £'000
At 1 September 2020	7,289	5,513
Transferred in on existing academies joining the academy trust	-	926
Current service cost	726	563
Interest cost	130	125
Employee contributions	89	73
Actuarial loss	1,780	125
Benefits paid	(43)	(45)
Past service cost	-	9
At 31 August 2021	9,971	7,289
Changes in the fair value of the academy trust's share of scheme assets	2021 £'000	2020 £'000
At 1 September 2020	3,705	3,240
Transferred in on existing academies joining the academy trust	-	521
Interest income	66	74
Actuarial (gain)/loss	709	(470)
Employer contributions	374	312
Employee contributions	89	73
Benefits paid	(43)	(45)
At 31 August 2021	4,900	3,705

PRESTOLEE MULTI ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

19 Reconciliation of net income to net cash flow from operating activities

	2021	2020
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	199	3,749
Adjusted for:		
Net surplus on conversion to academy	-	(3,876)
Capital grants from DfE and other capital income	(474)	(143)
Defined benefit pension costs less contributions payable	352	260
Defined benefit pension scheme finance cost	64	51
Depreciation of tangible fixed assets	349	333
(Increase)/decrease in debtors	(368)	20
Increase/(decrease) in creditors	82	(326)
Stocks, debtors and creditors transferred on conversion	-	151
Net cash provided by operating activities	204	219

20 Analysis of changes in net funds

	1 September	Cash flows	31 August
	2020		2021
	£'000	£'000	£'000
Cash	1,166	431	1,597

21 Long-term commitments, including operating leases

At 31 August 2021 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2021	2020
	£'000	£'000
Amounts due within one year	3	3
Amounts due in two and five years	4	6
	7	9

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

22 Capital commitments

	2021 £'000	2020 £'000
Expenditure contracted for but not provided in the accounts	469	-

The capital commitments relate to ongoing CIF projects in the trust. £109,000 relates to the Bowness Primary School heating project, £273,000 relates to Tottington Primary School Roof project and £87,000 relates to Waterloo Primary School Kitchen upgrades.

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 AFH 2020, 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 £7,300 (2020: £Nil). There were no amounts outstanding as at 31 August 2021 (2020: £Nil).

Income related party transaction

Roch Valley Trust a school at which S Farnworth (Member) is a trustee. The trust received income of £700 (2020: £Nil), relating to internal audit services. There were no amounts outstanding as at 31 August 2021 (2020: £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.

PRESTOLEE MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

25 Teaching School

	2020/21		2019/20	
	£'000	£'000	£'000	£'000
Income				
Direct Income				
- Other income received		736		695
Other income				
- Recharged income		71		-
Total Income				
		807		695
Expenditure				
Direct Costs				
- Direct staff costs	311		158	
- Staff development	2		3	
- Other direct costs	119		124	
Total direct costs		432		285
Other costs				
- Support staff costs	78		112	
- Depreciation	-		-	
- Technology costs	5		1	
- Recruitment and support	4		3	
- Security and support	4		3	
- Other support costs	98		60	
- Share of governance costs	4		1	
Total other costs		193		180
Total expenditure				
		626		465
Surplus/(Deficit) from all sources				
		182		230
Teaching school balances at 1 September 2020				
		262		32
Teaching school balances at 31 August 2021				
		444		262