

Registration number: 08727883

Preston Primary Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024

PRESTON PRIMARY ACADEMY TRUST
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PRESTON PRIMARY ACADEMY TRUST
REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Miller A Weston J Boyland Bath and Wells DBE Trust (Rev R Chapman) (resigned 31 December 2023) Bath and Wells DBE Trust (P Murley) (appointed 1 March 2024)
Trustees (Directors)	B Green, Chief Executive Officer & Accounting Officer (accounting officer) L Iddon L Orton M Kerrigan, Chair of Trustees P Murley (resigned 4 October 2023) P Levey Dr M Reed (appointed 25 September 2024) P Strange S Schaffer
Senior Management Team	A Draper, Chief Financial Officer B Green, Chief Executive Officer C Hodgson, Head teacher - Preston Primary School D Glentworth, Head teacher - Kingfisher D Gordon, Head teacher - Countess Gytha L Hall, Head teacher - Hambridge L Hayward, Head teacher - Middlezoy/Othery L Talmage, Head teacher - Manor Court L Thompson, Head teacher - North Cadbury M Gibbons, Head teacher - Ash CofE (from 1 September 2024) R Bennett, Headteacher - Ash CofE (from 1 June 2024 to 31 August 2024) T Doughty Davis, Head teacher - Huish Episcopi T Manning, Headteacher - Pen Mill (from 1 April 2024)
Principal and Registered Office	C/O Kingfisher Primary School Kingfisher Drive Houndstone Yeovil Somerset BA22 8FJ
Company Registration Number	08727883
Auditors	Albert Goodman LLP Goodwood House Blackbrook Park Avenue Taunton TA1 2PX
Bankers	Lloyds Bank Plc 9 High Street Yeovil BA20 1RN

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

Preston Primary Academy Trust ("PPAT") is a Multi Academy Trust currently comprising of eleven primary schools.

- Preston C of E Primary School which caters for children from reception to year 6. On 1 November 2013 Preston C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to the Trust from Somerset Council.

- Kingfisher Primary School which opened on 1 September 2016 is a 2-11 provision.

From September 2022 the school has 7 classes and a Nursery. Once demand in the Yeovil area requires it, a 2nd reception class will be opened and it will continue to build to a 2 form entry provision.

- Manor Court Primary School joined the Trust on 1 September 2018 and is a 2-11 provision.

- Countess Gytha Primary joined on 1 February 2019 and is a 2-11 provision

- North Cadbury C of E Primary joined on 1 April 2019 and is a 2-11 provision

- Huish Episcopi Primary, Hambridge Primary, and Middlezoy Primary who cater for reception to year 6 pupils and Othery Primary School which is a 2-11 provision joined PPAT on 1 February 2021.

- Pen Mill Infant and Nursery Academy which is a 2-7 provision joined on the 1 April 2024

- Ash CofE Primary which is a 2-11 provision joined on the 1 June 2024

3 further schools have been approved to join PPAT in the next academic year

Having originally incorporated as Preston Primary School Academy Trust the Trust changed its name to Preston Primary Academy Trust (PPAT Education) on 9 October 2015 when it transitioned to a Multi Academy Trust.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08727883.

PPAT have been asked to amend their Articles of Association to Equality Articles which will allow VA designated schools to join the Trust.

The governors act as the Directors for the charitable activities of Preston Primary Academy Trust and are also the directors of the charitable company for the purposes of company law.

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

The Trust's principal activity is the operation of primary schools and to advance for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, leading, managing and developing schools offering a broad and balanced curriculum.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Members' liability

Each member (with the exception of Bath & Wells DBE Trust which is liable for £nil) of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

Trustees' indemnities

The academy trust through its Articles has indemnified its Directors to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Directors. The Academy has indemnity insurance for Directors via RPA. The limit of indemnity is £10,000,000.

Method of recruitment and appointment or election of Trustees

The academy trust shall have the following Directors as set out in its articles of association and funding agreement:

- up to 4 Directors appointed by members,
- the members may appoint 2 Staff Directors through such process as they determine, provided that the total number of Directors (including the CEO) who are employees of the academy trust does not exceed one third of the total number of trustees,
- up to 5 Parent Trustees appointed under articles 53 to 58 of the Articles of Association,
- the CEO,
- Foundation Trustees as per article 51 of the Articles of Association.

Directors will have a term of office of 4 years, except for the CEO appointed to serve as a trustee in which case the term of office shall be specified at the time of their appointment. A trustee may be re-appointed or re elected.

Policies and procedures adopted for the induction and training of Trustees

The academy trust buys some services of Somerset Council who provide model policies and training events. All new Directors and LGB members are given induction training as well as training relevant to the committees on which they will serve by the Lead Governance Professional. Directors are given access to an online Governor portal on the PPAT sharepoint where they can access copies of policies, improvement plans, minutes and other documents they may need to undertake their role as Directors. An induction meeting also takes place for new Directors with the CEO to outline vision, values and the ethos of the Trust.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Organisational structure

The academy trust's management structure ensures the effective and efficient running of the academy. This consists of three levels: the Members, Directors and Local Governing Bodies in the schools. The aim of the management structure is to distribute responsibility and encourage involvement in decision making at all levels.

The Directors are responsible for setting general policy, adopting a Trust development plan and budget, monitoring the Academy Trust through close liaison with and reporting from the Chief Executive Officer and through personal observations by visits to Trust schools, making major decisions about the strategic direction of the Academy Trust including capital expenditure and involvement in key staff appointments in consultation with the Chief Executive Officer.

The Directors are appointed in line with articles 50 to 58 within the Articles of Association. When appointing new Directors, the Trust Board recognises the need to have a wide range of skills amongst the Directors.

The senior leadership team is led by the Chief Executive Officer and she is supported by the School Heads, the Chair of Directors and the Chief Financial Officer. These senior leaders manage the Trust implementing the policies agreed by the Directors and reporting back to them on progress. The Chief Executive Officer, CFO and Directors are responsible for the authorisation of spending over £1,000 which has not been allocated within the agreed budget or over £5,000 as required by the Trust Finance Policy.

The Chief Executive Officer is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The board of Directors and the senior leadership team comprise the key management personnel of the academy trust in charge of directing and controlling, running and operating the academy trust on a day-to-day basis. All Directors give their time freely, except for those disclosed in note 10 of the accounts, who are remunerated for their role in the senior leadership team.

Details of Directors' expenses and related party transactions are disclosed in the notes to the accounts.

The pay for key management personnel is reviewed annually in accordance with our Performance Management Policy and Pay Policy. The academy trust follows National School Teachers Pay and Conditions Document.

The Chief Executive Officer's review is undertaken externally. The information from this is then considered by a Remuneration and Pay Committee of Directors.

Performance management for Headteachers at schools within the Trust is reviewed annually by the Chief Executive Officer, an external school improvement consultant and the nominated Local Governing Body Headteacher Performance Management Governors.

Connected organisations, including related party relationships

The 3 Church schools within PPAT have reported 6 related party transactions with the Diocese of Bath and Wells totalling £2,260. These being for land and house rental along with 4 training sessions. There are no related parties that either control or significantly influence the decisions and operations of Preston Primary Academy Trust. There are Parent Teacher Associations at each school whose purpose is to raise funds for use by the children attending the school.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Engagement with employees (including disabled persons)

The schools within PPAT are managed by Headteachers and their Senior Leadership Teams (SLT). Staff meetings are held regularly along with in service training days for all staff to ensure that employees are provided with all information on matters of concern to them.

Headteachers and SLT operate an open-door policy for all staff and encourage involvement in the school and the achievement of the pupils.

Our recruitment policy states that all relevant equal opportunities legislation is adhered to and that applicants are not discriminated against on the grounds of race, nationality, gender, religion, age, disability, marital status or sexual orientation.

In line with the Disability Discrimination Act PPAT will make reasonable adjustments to the recruitment process if the applicant makes us aware they have a disability.

Conflicts of Interest

All Members, Directors, Local Governors and key Trust and School staff complete a register of business or pecuniary interests declaration.

This is also a standing agenda item at all Board, Committee and Local Governing Board meetings to update the register with any changes.

All Headteachers are aware of this and understand that any potential dealings with businesses detailed on the register of interest must be discussed with the CFO prior to any engagement.

Objectives and activities

Objects and aims

The main objectives of the academy during the year ended 31 August 2024 were:

- to deliver high quality education and care to all pupils within the Trust;
- to maintain the high standard of achievement of all pupils;
- to include and meet the needs of all pupils;
- to provide value for money.
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and transparency.

Objectives, strategies and activities

As detailed in our prospectus, the main aims of the Academy are:

- to create a safe and stimulating environment, providing a learning experience which meets the needs of all;
- to enable children to develop as independent, motivated learners with creative enquiring minds, building transferable skills for adult life;
- to help children to care for and respect themselves, the community, other cultures and the environment;
- to encourage children to be happy and healthy, both physically and emotionally, and to practise a healthy and safe lifestyle.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Strategic Report

Achievements and performance

Following another successful year for PPAT schools in terms of academic performance, we were delighted to be identified as the top performing Trust in Somerset, based on combined Key Stage 2 outcomes in Reading, Writing and Mathematics average of 81%, against a county average of 56% and National average of 61%. This demonstrates significant higher performance and continues to develop an ever-consistent picture of a high performing Trust. (See attainment data across PPAT schools' chart on page 9).

PPAT was also noted for being ranked the second most high performing Trust in the Country based on outcomes at Key Stage 2. As a result of this the Trust has been asked to participate in a project with the DfE to identify and discuss strategies which may support school improvement in other schools.

SEND and Pupil premium pupils often perform as well or sometimes better than other groups, due to the focus on individualised learning.

Such clear impact on educational opportunities and future life chances for our children is a testament to the professionalism of our staff and the rigour that they put into developing high quality provision for our pupils. As always, financial and resourcing strategies for our schools are determined by the needs of our children and the community they are in. Putting children and families at the heart of everything we do remains central to our core values.

Trust leaders are sometimes requested by the Local Authority or DfE to support other schools. This work is part of our Trust ethos of supporting school improvement wherever possible, but also has the benefit of bringing extra income into the Trust.

Examination of school websites and newsletters for each individual school, reveals the breadth of curriculum and wider opportunities being offered to children. Our children receive a truly holistic education. Academic outcomes are only a small, but important, part of our vision and values. Our attendance average of 95.9% (23/24) shows that our children enjoy coming to school.

Inspections during this financial year

Ash C of E Primary received a good judgement (previously Requires Improvement)
North Cadbury C of E Primary received a good judgement (previously Requires Improvement)
Middlezoy Primary School received a good judgement (previously Requires Improvement)
Othery Primary School received a good judgement (previously Requires Improvement)
Preston C of E Primary School received and retained an "Outstanding" judgement in all areas.

As a Trust, we are delighted with these outcomes which further builds our capacity to work with other schools.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Staffing

Staffing has remained consistent this year with new apprenticeships and new Early Career Teachers joining various schools as needed, due to maternity covers or promotion for existing members of staff. Good induction procedures and high-quality mentoring and training secure our staff for a long time. We continue to "grow our own" senior Leaders where possible.

We have supported the recruitment of new Headteachers and Senior leaders within some new schools who will be joining the Trust. Strong relationships are built from the very start.

Our staffing is generally very stable.

Pupil numbers

Pupil numbers across the Trust remain steady, with expected peaks and troughs in small village schools. Middlezoy and Othery Local Governing Body have continued their arrangement of educating all pupils on the Othery site as it was better for provision and was well received by parents. This arrangement will continue for 24/25 academic year. Staffing related issues can be managed much more effectively and do not impact on pupils' education now that staff and children are on one site. The Headteacher and Local Governing Body continue to market the school to attract more pupils.

It is at points like this when strong Local Governance can play a huge part in the strategic direction of individual schools.

To conclude, Preston Primary Academy Trust (PPAT) has had a very successful year, with further improvements to schools and buildings. North Cadbury C of E Primary has been transformed with its new building extension. We have welcomed two new schools into our Trust: Ash CofE Primary and Pen Mill Infants and Nursery and we look forward to welcoming the three planned additions and more in the next academic year.

PRESTON PRIMARY ACADEMY TRUST
TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

The following table represents Preston Primary Academy Trust's performance in the academic year 2023-2024. This includes outcomes in key areas of attainment for Year 1, Year 2 and Year 6 pupils. (GD - % achieving at greater depth) Our schools are performing above national averages.

Preston Primary Academy Trust - Attainment Summary 2023-2024										
	Ash joined PPAT 01.06.2024	Countess Gytha	Hambridge	HEPS	Kingfisher	Manor Court	Middlezoy Othery	North Cadbury	Pen MBI joined PPAT 01.04.2024	Preston Primary
Number of pupils on roll	117	142	109	194	214	407	59	76	170	420
Whole School Attendance (%)	95.46%	95.00%	94.50%	95.90%	96.40%	94.58%	95.30%	94.70%	94.00%	94.98%
Data Summary										
Reception GLD	100%	91%	83%	86%	84%	76%	80%	88%	80%	85%
Year 1 Phonics	85%	100%	100%	84%	90%	86%	100%	92%	71%	95%
Year 2 Reading and Greater depth	91% (18%)	87 (35%)	88% (29%)	95% (50%)	90% (48%)	78% (38%)	100% (27%)	86% (33%)	84% (22%)	92% (38%)
Year 2 Writing and Greater depth	63% (18%)	87 (30%)	82% (18%)	87% (32%)	90% (39%)	78% (30%)	87% (36%)	86% (33%)	84% (20%)	90% (33%)
Year 2 Maths and Greater depth	72% (18%)	91 (30%)	88% (18%)	95% (23%)	90% (45%)	78% (37%)	91% (27%)	86% (33%)	86% (19%)	93% (35%)
Year 2 Combined and Greater depth	54% (8%)	87 (30%)	87% (18%)	86% (18%)	87% (29%)	78% (29%)	91% (27%)	86% (33%)	83% (13%)	88% (30%)

PRESTON PRIMARY ACADEMY TRUST
TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Year 5 Reading and Greater depth	75% (33%)	95% (37%)	94% (59%)	91% (47%)	93% (50%)	80% (24%)	92% (50%)	75% (63%)	N/A	95% (38%)
Year 5 Writing and Greater depth	79% (29%)	89% (21%)	88% (47%)	94% (41%)	93% (43%)	83% (20%)	92% (25%)	88% (38%)	N/A	90% (43%)
Year 5 Maths and Greater depth	83% (41%)	84% (37%)	100% (41%)	91% (37%)	90% (37%)	83% (25%)	75% (25%)	88% (75%)	N/A	97% (48%)
Year 5 Combined and Greater depth	70% (28%)	84% (16%)	88% (29%)	88% (31%)	90% (23%)	75% (7%)	67% (17%)	75% (38%)	N/A	90% (20%)
Year 5 SPaG and Greater depth	87% (45%)	84% (64%)	92% (59%)	94% (59%)	93% (63%)	86% (47%)	92% (33%)	75% (75%)	N/A	95% (58%)

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

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

The majority of the academy trust's funding is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants. This funding is recognised as restricted due to its specific purposes. Any ESFA funding received for fixed assets is shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the academy trust's accounting policies.

The academy trust also receives grants from Somerset Council for Individually Assigned Resources to support pupils who are eligible for SEN funding. These grants are treated as restricted income.

During the year the academy trust had income of £13,256,148 (2023: £10,628,620) and incurred expenditure of £11,612,561 (2023: £10,458,435) which, together with an actuarial pension fund gain of £566,000 (2023: gain £882,000), results in a net increase in funds of £2,209,587 (2023: net increase £1,052,185). By fund these figures are broken down as:

- Unrestricted income, generated through activities such as educational trips and clubs, of £897,544 less attributable expenditure, including transfers, of £606,389 to leave a surplus of £291,155.
- Restricted income of £11,123,262 less expenditure, transfers and pension adjustments of £9,989,761 to leave a surplus of £1,133,501.
- Restricted fixed asset income of £1,235,342 less expenditure and transfers of £450,411 to leave a surplus of £784,931.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Reserves policy

The academy trust aims to carry forward a prudent level of resources from the General Annual Grant, the general non-GAG restricted fund and the general unrestricted fund to cover the medium and long-term needs for renewal and replacement, for major unforeseen contingencies and to contribute to major capital developments. The Directors have identified the requirement to hold an amount which is the equivalent to one month's salary costs, which currently amounts to circa £850k. The Trust used £59k of its reserves to upgrade IT provision and £121k to upgrade buildings and facilities across all schools from their individual school reserves. The Trust also used £138k of Condition Improvement expenditure to support the replacement of 2 classrooms at Manor Court. The current level of reserves are in excess of the policy, with free reserves of £2,798k, however, there are a number of capital projects in progress/planned which the schools intend to contribute in excess of £300k from their own reserves. Some schools are supporting their 24/25 budgets from their own individual reserves. There are ringfenced sums totalling £600k. Further detail is provided below:

Capital Plans £300k

Rolling roof replacement, replacement windows in three schools, replacement LEDs, external shading, Pre School outdoor area upgrades, carpark lighting and toilet refurbishments

CIF Support £300k

Support for current successful CIF projects and CIF bids 24/25.

Ringfenced Funds £600k

Nursery reserves, External grant funding for specific projects, provision of School Improvement staff across the Trust, conversion funding and Somerset Council Growth funding for a growing new build school.

Budget Support 24/25 £190k

To support schools in the continuing provision of high-quality education.

Investment policy

The Directors review the financial position of the academy quarterly and future demands for cash flow and any possible investment opportunities are discussed and the decision made appropriately.

Directors are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Directors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the board.

The approval of the full board of Directors is required before any investment is made.

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Principal risks and uncertainties

Income and Pupil Numbers - The main risks and uncertainties faced by PPAT relates to future income. The academy trust is funded mainly from the ESFA, which is based on pupil numbers. Future pupil numbers are difficult to predict with a great degree of accuracy and this therefore results in an element of uncertainty surrounding future financing. PPAT believes that local parental preference, high standards and provision is sufficient to attract the appropriate level of funding. All schools work within their community to cement their position. Small schools will always have a pupil population that rises and falls, and these schools work to mitigate the impact on their funding. Pupil numbers have increased throughout 2023/24, because of schools joining PPAT and pupil numbers at individual schools increasing.

Reputational Risk - The continuing success of the academy trust depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Directors are clearly focused on monitoring and reviewing the achievement and success of pupils, and the professionalism of staff.

Internal Scrutiny – The Academy Trust appointed Devon Audit Partnership in 2023/24 to carry out checks on the Finance Policy, Procurement, Payments Income and Payroll in our schools. All staff receive training to ensure their skills and knowledge are up to date. The Internal Scrutiny report delivered substantial assurance in all areas covered. The Directors have proposed that the ISR in 2024/2025 is used to check safeguarding procedures and the Single Central Records.

Fraud/Mismanagement - The Academy Trust completed internal finance audits on financial systems and records along with processes and protocols as required by the Academy Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Cash Flow - The academy considers that it has sufficient cash reserves for normal day-to-day operations.

SEND Funding – Lack of support for SEND pupils continues to mean that high levels of universal funding is diverted to support SEND pupils.

Fundraising

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

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Estates Management

PPAT have in place an Estates Management Strategy Policy which details the estate vision and strategy for the schools within the Trust. All schools have an Asset Management Plan in place which detail short and long-term plans for the management of their schools. This feeds our Trust wide strategic estate planning and budget planning. The strategic estate management within PPAT ensures that:

- Evidence based decisions are facilitated;
- Resources are efficiently used;
- The use of the estate is maximised.

Condition Improvement funding is applied for/accessed where appropriate.

Where appropriate Trust wide contracts are agreed to ensure all schools are maintained at a high standard and that economies of scale are achieved.

Compliance is overseen by the Trust Health and Safety and Compliance Officer, with all schools ensuring that the buildings, grounds, engineering and equipment are maintained, in order that they are safe and secure places for children and staff. This ensures that all schools within the Trust comply with the relevant regulations.

All schools have site managers in place and to ensure value for money will work on projects across schools.

Individual school minor works costs are evaluated using 3 quotes. Larger works and Trust wide works (exceeding £5k) are tendered, and approval is required from the Finance and Audit Committee.

PPAT also has an environmental and sustainability policy. This sets out how the schools within PPAT will ensure that ecological and environmental considerations are taken into account in both the education of children and the school estates.

PRESTON PRIMARY ACADEMY TRUST
TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Streamlined Energy and Carbon Reporting

Streamlined Energy and Carbon Reporting			
UK Greenhouse Gas Emissions and Energy Use Data for the period	1st September 2023 to 31st August 2024	Emissions in Metric Tonnes 23/24	Emissions in Metric Tonnes 1st September 2022 to 31st August 2023
Energy Consumption used to calculate Electricity Emissions (kwh)	491543	95	94
Energy Consumption used to calculate Gas Emissions (kwh)	839228	125	175
TOTAL	1330771	220	269
Owned Minibus Travel in km	6317	25	21
TOTAL	6317	25	21
Business Travel in Employee Owned Vehicles(km)	20974	82	85
TOTAL	20974	82	85
Total Gross Emissions in Metric Tonnes		452	375
Intensity Ratio per pupil		0.24	0.24

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol Corporate Standard and the 2024 UK Government Conversion Factors for Company Reporting

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

We have moved energy suppliers, continued monthly monitoring of meter readings, increased usage of Teams calls to reduce travel and continued our rolling programme of replacing single glazed windows with double glazing and the installation of LEDs as old lighting fails.

The Trust has increased from 9 to 11 schools in this academic year and pupil numbers have increased by 240

PRESTON PRIMARY ACADEMY TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

Funds held as Custodian Trustee on behalf of others

The academy and its Trustees do not act as the Custodian Trustees of any other Charity.

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Albert Goodman LLP as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on ~~20.11.24~~, and signed on its behalf by:


.....
M Kerrigan
Trustee

PRESTON PRIMARY ACADEMY TRUST GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Preston Primary 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 B Green, Trustee, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Preston Primary Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 times during the year. All Directors received detailed monthly finance and estates reports during the year, along with regular communication from the CEO concerning school outcomes, data and all other information required for their information and assurance. The Directors agreed that the number of meetings held along with the AGM and Auditors feedback was more than sufficient to allow them to perform their roles.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
M Kerrigan	4	4
B Green	4	4
P Levey	4	4
L Orton	3	4
S Schaffer	3	4
L Iddon	3	4
P Strange	4	4

Conflicts of interest

All Members, Directors, Local Governors and key Trust and School staff complete a register of business or pecuniary interests declaration.

This is also a standing agenda item at all Board, Committee and Local Governing Board meetings to update the register with any changes.

All Headteachers are aware of this and understand that any potential dealings with businesses detailed on the register of interest must be discussed with the CFO prior to any engagement.

PRESTON PRIMARY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

A Governance Review took place in May 2023. A further review is planned to be carried out in 2026

The PPAT Board focussed on all the necessary key areas including academic performance, safeguarding, health and safety, several building projects and the potential for further Trust growth. We have one vacancy on the Board with a variety of skills across different areas and this has contributed to a successful year. A highly skilled individual has been approached to fill the vacancy.

The Board of Directors and Local Governing Bodies carry out annual skills audits based on the National Governance template and these were last carried out at the end of the 23/24 academic year. The results of these reviews are used to identify gaps in skills and experience, which in turn is used to inform recruitment and training needs. The most recent review showed no significant gaps in skills and highlighted a few areas where training may be beneficial. The Board of Directors also asked each Local Governing Body to prepare a review of their effectiveness, including areas such as training and governor visits. Neither of these exercises showed any areas for concern and these processes will be refined in future years.

Contextual, academic standards, attendance, safeguarding, suspension and exclusion data etc are reported by Headteachers through termly Headteacher reports and the CEO termly via a whole school data presentation and Trust data presentation. These are presented in clear, detailed formats that enable interrogation by Board members. The accuracy of this information continues to be validated over time. Where available, DfE information confirms the general data received by the PPAT Board. Published league tables, when available also confirm and reassure the Board of accurate outcomes.

The Board and Finance committee receive detailed reports covering the financial/auditing processes and outcomes along with data detailing the position of our estates and the requirements to maintain and improve their condition.

Regular Health and Safety updates are provided to the Director responsible for Health and Safety and reported to the full Board of Directors.

The Board and Audit and Finance Committee receive monthly, detailed financial management accounts which ensure they are aware of the financial position of the Trust throughout the year. Further decisions are reviewed/approved via email which enables business decisions to be carried out in a timely fashion. The annual external audit and internal scrutiny reassures the Board that the Trust finance and regulatory requirements are being consistently fulfilled. Where available DfE information is used to validate the financial position of the school in comparison with other schools in both the local area and nationally.

PRESTON PRIMARY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)

The Audit and Finance Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the finances, personnel and premises of the Academy Trust. Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
P Levey	4	4
B Green	4	4
L Orton	3	3
M Kerrigan	4	4
L Iddon	3	3

Review of value for money

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

The Accounting Officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of Directors where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Huish Episcopi, Hambridge, Middlezoy and Othery moved school meals provider which has resulted in higher quality food for the children.
- The Trust is committed to developing our staff at all levels and currently have 10 apprentices, using the Apprenticeship Levy to pay for their training. Our Lead Governance Professional provides induction and training to our Board and LGB members.
- Staffing levels continue to be reviewed on an ongoing basis to ensure best use of existing staff and any vacancies are considered before advertising or appointing. In order to procure high quality staffing for our smaller schools we have staff who work across a number of schools, which ensures we can advertise posts which will be attractive.
- The Academy Trust continues to increase the number of products and services they purchase at Trust level to maximise economies of scale and achieve MAT level discounts for the schools within the Trust. Energy provision has been moved to allow the Trust to benefit from bulk gas and electricity rates.

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 ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Preston Primary Academy Trust for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements.

PRESTON PRIMARY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Audit and 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.

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- to appoint Devon Audit Partnership as internal auditor

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

- A review of Financial Policy and Procedures
- A review of Income Financial Control
- A review of Purchasing and Payments
- A review of Contracts and Tendering
- A review of Salaries and Expenses

These took place in June 2024.

On an annual basis, the auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

There were no material control or other issues reported by the Responsible Officer to date.

The Academy Trust Finance Manager performed internal audits on both Finance and HR processes at all schools within the Trust. These took place on a termly basis to ensure compliance with all requirements of the Academy Trust Handbook.

Review of effectiveness

As Accounting Officer, B Green, Trustee has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:


- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;

PRESTON PRIMARY ACADEMY TRUST
GOVERNANCE STATEMENT (CONTINUED)

- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 20.11.24 and signed on its behalf by:


.....
B Green
Trustee


.....
M Kerrigan
Trustee


PRESTON PRIMARY ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Preston Primary 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, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2023, including responsibilities for estates safety and management.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2023.

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.


.....
B Green, Trustee
Accounting officer

Date: 20.11.24.....

PRESTON PRIMARY ACADEMY TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on ~~20.11.24~~ and signed on its behalf by:

.....
M Kerrigan
Trustee



PRESTON PRIMARY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PRESTON PRIMARY ACADEMY TRUST

Opinion

We have audited the financial statements of Preston Primary Academy Trust (the 'Academy') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs at 31 August 2024 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 Academies Accounts Direction 2023 to 2024.

Basis for opinion

We have been appointed as auditor under the Companies Act 2006 and report in accordance with regulations made under that act. 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 financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

PRESTON PRIMARY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF PRESTON PRIMARY ACADEMY TRUST (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 23], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

PRESTON PRIMARY ACADEMY TRUST

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON PRIMARY ACADEMY TRUST (CONTINUED)**

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Academy through discussions with trustees and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Academy, including the Companies Act 2006, Academies Accounts Direction 2023 to 2024, Charities SORP 2019, taxation legislation, employment and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

PRESTON PRIMARY ACADEMY TRUST

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PRESTON PRIMARY ACADEMY TRUST (CONTINUED)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees 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 Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Albert Goodman LLP

Robert Oram BFP FCA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

Date: *29/11/24*

PRESTON PRIMARY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY

In accordance with the terms of our engagement letter and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Preston Primary Academy Trust during the year to 31 August 2024 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Preston Primary Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Preston Primary Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Preston Primary Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Board of Trustees' funding agreement with the Secretary of State for Education dated and the Academy Trust Handbook extant from 1 September 2023, 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 2023 to 2024. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year to 31 August 2024 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.

PRESTON PRIMARY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- Reviewing compliance against the requirements of the Academy Trust Handbook (September 2023);
- A review of the governance policies and procedures with specific consideration of financial planning, monitoring and control;
- Gaining assurance that the lines of delegation and the limits set both internally by the academy and by ESFA have been adhered to;
- A review of all meeting minutes of the board trustees;
- An examination of financial transactions to identify any unusual items which may be improper; and
- A review of the declaration of interests completed by the trustees.

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 year from 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Albert Goodman LLP

Robert Oram BFP FCA

For and on behalf of Albert Goodman LLP, Chartered Accountants

Goodwood House
Blackbrook Park Avenue
Taunton
TA1 2PX

Date: *29/11/24*

PRESTON PRIMARY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2024

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023/24 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	54,953	128,988	267,091	451,032
Transfer of existing academies into the Trust	28	179,175	134,426	924,219	1,237,820
Transfer from local authority on conversion	29	21,836	24,858	44,032	90,726
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	10,834,990	-	10,834,990
Other trading activities	4	641,240	-	-	641,240
Investments	5	340	-	-	340
Total		897,544	11,123,262	1,235,342	13,256,148
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	520,559	10,402,103	689,899	11,612,561
Net income		376,985	721,159	545,443	1,643,587
Transfers between funds		(85,830)	(153,658)	239,488	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	25	-	566,000	-	566,000
Net movement in funds		291,155	1,133,501	784,931	2,209,587
Reconciliation of funds					
Total funds brought forward at 1 September 2023		811,594	420,747	19,591,237	20,823,578
Total funds carried forward at 31 August 2024		1,102,749	1,554,248	20,376,168	23,033,165

PRESTON PRIMARY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/23 Total £
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	16,206	21,320	669,036	706,562
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	9,394,970	-	9,394,970
Other trading activities	4	526,778	-	-	526,778
Investments	5	310	-	-	310
Total		543,294	9,416,290	669,036	10,628,620
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	385,891	9,459,111	613,433	10,458,435
Net income/(expenditure)		157,403	(42,821)	55,603	170,185
Transfers between funds		(192,969)	(124,225)	317,194	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	25	-	882,000	-	882,000
Net movement in (deficit)/funds		(35,566)	714,954	372,797	1,052,185
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2022		847,160	(294,207)	19,218,440	19,771,393
Total funds carried forward at 31 August 2023		<u>811,594</u>	<u>420,747</u>	<u>19,591,237</u>	<u>20,823,578</u>

PRESTON PRIMARY ACADEMY TRUST
(REGISTRATION NUMBER: 08727883)
BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	12	20,501,471	19,827,273
Current assets			
Debtors	13	275,397	263,284
Cash at bank and in hand		<u>3,478,903</u>	<u>2,573,731</u>
		3,754,300	2,837,015
Liabilities			
Creditors: Amounts falling due within one year	14	<u>(776,867)</u>	<u>(869,711)</u>
Net current assets		<u>2,977,433</u>	<u>1,967,304</u>
Total assets less current liabilities		23,478,904	21,794,577
Creditors: Amounts falling due after more than one year	15	<u>(32,739)</u>	<u>(34,999)</u>
Net assets excluding pension liability		23,446,165	21,759,578
Defined benefit pension scheme liability	25	<u>(413,000)</u>	<u>(936,000)</u>
Total net assets		<u>23,033,165</u>	<u>20,823,578</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	16	1,554,248	420,747
Restricted fixed asset fund	16	<u>20,376,168</u>	<u>19,591,237</u>
		21,930,416	20,011,984
Unrestricted funds			
Unrestricted general fund	16	<u>1,102,749</u>	<u>811,594</u>
Total funds		<u>23,033,165</u>	<u>20,823,578</u>

The financial statements on pages 30 to 63 were approved by the Trustees, and authorised for issue on ~~20.11.24~~ and signed on their behalf by:


M Kerrigan
Trustee

PRESTON PRIMARY ACADEMY TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,056,771	409,696
Cash flows from investing activities	21	(149,339)	(684,048)
Cash flows from financing activities	20	<u>(2,260)</u>	<u>(2,260)</u>
Change in cash and cash equivalents in the year		905,172	(276,612)
Cash and cash equivalents at 1 September		<u>2,573,731</u>	<u>2,850,343</u>
Cash and cash equivalents at 31 August	22	<u>3,478,903</u>	<u>2,573,731</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 financial statements 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 financial statements.

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 year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

1 Accounting policies (continued)

Sponsorship income

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

Donations

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

Other income

Other income, including the hire of facilities, 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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

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

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

1 Accounting policies (continued)

Charitable activities

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

Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. 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 and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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.

Asset class	Depreciation method and rate
Long leasehold land	125 years
Long leasehold buildings	50 years
Property improvements	15-50 years
Fixtures and fittings	5 years
ICT equipment	4 years

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.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

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.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated 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 of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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.

Critical accounting estimates and areas of judgement

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

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2024. 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.

2 Donations and capital grants

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2023/24 Total £	2022/23 Total £
Other voluntary income					
Capital grants					
DfE/ESFA	-	-	262,086	262,086	669,036
Other donations	54,953	128,988	5,005	188,946	37,526
	<u>54,953</u>	<u>128,988</u>	<u>267,091</u>	<u>451,032</u>	<u>706,562</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2023/24 Total £	2022/23 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	8,203,330	8,203,330	7,360,009
Other DfE/ESFA grants	535,828	535,828	462,928
UIFSM	317,090	317,090	277,611
Pupil Premium	562,523	562,523	488,294
PE Grant	164,642	164,642	157,310
	<u>9,783,413</u>	<u>9,783,413</u>	<u>8,746,152</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

3 Funding for the Academy Trust's educational operations (continued)

	Restricted funds £	2023/24 Total £	2022/23 Total £
Other government grants			
Other Government grants	98,944	98,944	41,344
Early Years Funding	541,749	541,749	397,725
Individually assigned resources	400,159	400,159	209,749
	<u>1,040,852</u>	<u>1,040,852</u>	<u>648,818</u>
Non-government grants and other income			
Non Government grants	10,725	10,725	-
Total grants	<u>10,834,990</u>	<u>10,834,990</u>	<u>9,394,970</u>

4 Other trading activities

	Unrestricted Funds £	2023/24 Total £	2022/23 Total £
Facilities and services income	595,035	595,035	508,174
Educational trips and activities	31,758	31,758	14,066
Other income	14,447	14,447	4,538
	<u>641,240</u>	<u>641,240</u>	<u>526,778</u>

5 Investment income

	Unrestricted Funds £	2023/24 Total £	2022/23 Total £
Short term deposits	<u>340</u>	<u>340</u>	<u>310</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

6 Expenditure

	Non Pay Expenditure			2023/24 Total £	2022/23 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	7,034,185	-	607,841	7,642,026	6,829,962
Allocated support costs	<u>1,836,444</u>	<u>1,452,922</u>	<u>681,169</u>	<u>3,970,535</u>	<u>3,628,473</u>
	<u>8,870,629</u>	<u>1,452,922</u>	<u>1,289,010</u>	<u>11,612,561</u>	<u>10,458,435</u>

Net income/(expenditure) for the year includes:

	2023/24 £	2022/23 £
Operating lease rentals	19,326	33,443
Depreciation	697,191	624,740
Fees payable to auditor - audit	11,750	9,950
- other audit services	<u>3,200</u>	<u>3,950</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

7 Charitable activities

		2023/24 £	2022/23 £
Direct costs - educational operations		7,642,026	6,829,962
Support costs - educational operations		3,970,535	3,628,473
		<u>11,612,561</u>	<u>10,458,435</u>
	Educational operations £	2023/24 Total £	2022/23 Total £
Analysis of direct costs			
Teaching and educational support staff costs	7,034,185	7,034,185	6,251,048
Educational supplies	346,533	346,533	341,114
Staff development	21,279	21,279	28,795
Educational consultancy	38,060	38,060	36,710
Other direct costs	165	165	98
Technology costs	2,955	2,955	1,902
Trip costs	198,849	198,849	170,295
Total direct costs	<u>7,642,026</u>	<u>7,642,026</u>	<u>6,829,962</u>
	Educational operations £	2023/24 Total £	2022/23 Total £
Analysis of support costs			
Support staff costs	1,836,444	1,836,444	1,720,548
Depreciation	697,191	697,191	623,410
Recruitment and support	39,167	39,167	41,518
Rent, rates and utilities	261,081	261,081	196,946
Insurance	44,707	44,707	60,811
Catering	346,576	346,576	417,770
Maintenance of premises and equipment	436,437	436,437	376,592
Cleaning	58,213	58,213	43,580
Professional fees	140,561	140,561	39,591
Other support costs	102,773	102,773	102,124
Governance costs	7,385	7,385	5,583
Total support costs	<u>3,970,535</u>	<u>3,970,535</u>	<u>3,628,473</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

8 Staff

Staff costs

	2023/24 £	2022/23 £
Staff costs during the year were:		
Wages and salaries	6,661,980	5,919,252
Social security costs	584,832	446,305
Operating costs of defined benefit pension schemes	<u>1,536,448</u>	<u>1,474,412</u>
	8,783,260	7,839,969
Supply staff costs	<u>87,369</u>	<u>131,627</u>
	<u><u>8,870,629</u></u>	<u><u>7,971,596</u></u>

Staff numbers

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

	2024 No	2023 No
Charitable Activities		
Teachers	107	87
Administration and support	238	216
Management	<u>12</u>	<u>14</u>
	<u><u>357</u></u>	<u><u>317</u></u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

8 Staff (continued)

Higher paid staff

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

	2023/24 No	2022/23 No
£60,001 - £70,000	1	3
£70,001 - £80,000	2	-
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1

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 £1,027,124 (2023: £993,528).

9 Central services

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

- Chief Executive Officer
- Chief Financial Officer
- Other administrative salary costs
- Travel costs on the above

The academy trust charges for these services on the following basis:

Percentage of the GAG funding

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

9 Central services (continued)

The actual amounts charged during the year were as follows:

	2023/24	2022/23
	£	£
Preston C of E Primary School	108,994	107,644
Kingfisher Primary School	56,845	53,649
Manor Court Primary School	103,934	96,204
Countess Gytha Primary School	40,345	38,052
North Cadbury C of E Primary School	29,075	28,260
Huish Episcopi Primary School	55,320	48,000
Hambridge Primary School	35,135	36,024
Middlezoy/Othery Primary School	33,080	34,872
Ash Church of England Primary School	6,516	-
Pen Mill Infant and Nursery Academy	56,531	-
	<u>525,775</u>	<u>442,705</u>

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

B Green (Chief Executive Officer):

Remuneration: £100,000 - £105,000 (2023 - £105,000 - £110,000)

Employer's pension contributions: £20,000 - £25,000 (2023 - £25,000 - £30,000)

Other related party transactions involving the trustees are set out in note 26.

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 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.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Property improvements £	Total £
Cost						
At 1 September 2023	4,163,316	16,935,232	680,777	602,188	144,686	22,526,199
Additions	5,005	331,926	34,389	40,445	-	411,765
Transferred on conversion	30,000	676,027	18,733	34,825	200,039	959,624
At 31 August 2024	<u>4,198,321</u>	<u>17,943,185</u>	<u>733,899</u>	<u>677,458</u>	<u>344,725</u>	<u>23,897,588</u>
Depreciation						
At 1 September 2023	139,273	1,795,438	349,954	403,123	11,138	2,698,926
Charge for the year	48,753	421,150	112,267	100,987	14,034	697,191
At 31 August 2024	<u>188,026</u>	<u>2,216,588</u>	<u>462,221</u>	<u>504,110</u>	<u>25,172</u>	<u>3,396,117</u>
Net book value						
At 31 August 2024	<u>4,010,295</u>	<u>15,726,597</u>	<u>271,678</u>	<u>173,348</u>	<u>319,553</u>	<u>20,501,471</u>
At 31 August 2023	<u>4,024,043</u>	<u>15,139,794</u>	<u>330,823</u>	<u>199,065</u>	<u>133,548</u>	<u>19,827,273</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

13 Debtors

	2024	2023
	£	£
VAT recoverable	55,009	35,285
Other debtors	80,226	-
Prepayments and accrued income	140,162	227,999
	<u>275,397</u>	<u>263,284</u>

14 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	5,137	287,647
Other taxation and social security	127,996	108,952
Loans	4,505	4,505
Other creditors	207,056	148,303
Accruals and deferred income	432,173	320,304
	<u>776,867</u>	<u>869,711</u>

	2024	2023
	£	£
Deferred income		
Deferred income at 1 September 2023	171,184	137,167
Resources deferred in the period	319,621	171,184
Amounts released from previous periods	(171,184)	(137,167)
Deferred income at 31 August 2024	<u>319,621</u>	<u>171,184</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals and school trips taking place in 2024/25.

15 Creditors: amounts falling due in greater than one year

	2024	2023
	£	£
Loans	<u>32,739</u>	<u>34,999</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2024 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,126,882	8,203,330	(7,618,658)	(180,375)	1,531,179
Other Local Authority Grant	41,225	640,693	(645,918)	-	36,000
Other DfE/ESFA grants	152,074	535,828	(577,979)	-	109,923
Individually Assigned Resources	-	400,159	(400,159)	-	-
Restricted funds on conversion	-	305,284	(44,858)	-	260,426
Other restricted funds	-	10,725	(10,725)	-	-
Pupil Premium	19,909	562,523	(573,378)	7,711	16,765
PE Grant	16,657	164,642	(177,614)	9,270	12,955
Restricted donations	-	128,988	(128,988)	-	-
UIFSM	-	317,089	(326,825)	9,736	-
Pension reserve	(936,000)	(146,000)	103,000	566,000	(413,000)
Total restricted general funds	420,747	11,123,261	(10,402,102)	412,342	1,554,248
<i>Restricted fixed asset funds</i>					
Inherited fixed assets	16,985,249	968,251	(503,414)	2,260	17,452,346
DfE/ESFA capital grants	1,874,188	202,044	(42,733)	3,228	2,036,727
Capital expenditure from GAG	137,476	-	(17,008)	262,268	382,736
Capital expenditure from other restricted funds	594,324	65,047	(126,744)	(28,268)	504,359
Total restricted fixed asset funds	19,591,237	1,235,342	(689,899)	239,488	20,376,168
Total restricted funds	20,011,984	12,358,603	(11,092,001)	651,830	21,930,416
<i>Unrestricted general funds</i>					
General	538,782	890,848	(513,240)	(85,830)	830,560
Capital expenditure	272,812	6,696	(7,319)	-	272,189
Total unrestricted funds	811,594	897,544	(520,559)	(85,830)	1,102,749
Total endowment funds	-	-	-	-	-

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds (continued)

	Balance at 1 September 2023 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2024 £
Total funds	<u>20,823,578</u>	<u>13,256,147</u>	<u>(11,612,560)</u>	<u>566,000</u>	<u>23,033,165</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds (continued)

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

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,117,682	7,360,009	(7,280,823)	(69,986)	1,126,882
Other Local Authority Grant	63,125	407,461	(429,361)	-	41,225
Other DfE/ESFA grants	156,435	479,016	(489,138)	5,761	152,074
Individually Assigned Resources	-	226,396	(226,396)	-	-
Pupil Premium	6,551	488,294	(474,936)	-	19,909
PE Grant	-	157,310	(140,653)	-	16,657
Restricted donations	60,000	31,140	(31,140)	(60,000)	-
UIFSM	-	266,664	(266,664)	-	-
Pension reserve	(1,698,000)	-	(120,000)	882,000	(936,000)
Total restricted general funds	<u>(294,207)</u>	<u>9,416,290</u>	<u>(9,459,111)</u>	<u>757,775</u>	<u>420,747</u>
<i>Restricted fixed asset funds</i>					
Inherited fixed assets	17,460,993	-	(478,004)	2,260	16,985,249
DfE/ESFA capital grants	1,401,190	252,038	(26,680)	247,640	1,874,188
Capital expenditure from GAG	84,816	-	(6,916)	59,576	137,476
Capital expenditure from other restricted funds	271,441	416,998	(101,833)	7,718	594,324
Total restricted fixed asset funds	<u>19,218,440</u>	<u>669,036</u>	<u>(613,433)</u>	<u>317,194</u>	<u>19,591,237</u>
Total restricted funds	<u>18,924,233</u>	<u>10,085,326</u>	<u>(10,072,544)</u>	<u>1,074,969</u>	<u>20,011,984</u>
<i>Unrestricted general funds</i>					
General	564,369	543,294	(375,912)	(192,969)	538,782
Capital expenditure	282,791	-	(9,979)	-	272,812
Total unrestricted funds	847,160	543,294	(385,891)	(192,969)	811,594
Total endowment funds	-	-	-	-	-
Total funds	<u>19,771,393</u>	<u>10,628,620</u>	<u>(10,458,435)</u>	<u>882,000</u>	<u>20,823,578</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds (continued)

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

General Annual Grant (GAG) – Funding from the Education and Skills Funding Agency to support the education and running costs of the academy. 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 2024.

Other DfE/ESFA grants – Grants from the Education and Skills Funding Agency to support PE and sport costs, pupils from low income families, Teacher Pension and Pay grant and universal infant free school meals.

Early years funding – Funding from Somerset County Council for children that have a specific requirement for additional support and for children attending nursery.

Individually assigned resources – A grant from the local authority to support costs associated with supporting pupils with special educational needs.

Other local authority grants – Funding from Somerset County

Restricted funds on conversion - This represents the restricted funds donated to the School from the Local Authority on conversion to an academy

Pension Reserve – This fund represents the pension deficit for the Local Government Pension Scheme and its associated costs for the period.

Inherited Fixed Assets – Represents the building and equipment donated to the school from the County Council on conversion to an academy.

DfE/ESFA capital grants – This is funding from the DfE/ESFA to support capital projects undertaken by the academy.

Capital expenditure from GAG – This represents the amount of the General Annual Grant allocated towards capital expenditure during the period and its associated depreciation.

Capital expenditure from other restricted funds – This represents restricted funds allocated towards capital and the associated depreciation.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2024 were allocated as follows:

	2024	2023
	£	£
Preston C of E Primary School	681,261	450,631
Kingfisher Primary School	116,102	180,896
Manor Court Primary School	464,297	433,266
Countess Gytha Primary School	169,124	163,347
North Cadbury C of E Primary School	40,481	(85,224)
Huish Episcopi Primary School	106,288	99,542
Hambridge Primary School	88,599	93,362
Middlezoy/Othery Primary School	218,253	271,777
Ash Church of England Primary School	(38,084)	-
Pen Mill Infant and Nursery Academy	297,911	-
Central services	<u>653,576</u>	<u>287,932</u>
Total before fixed assets and pension reserve	2,797,808	1,895,529
Restricted fixed asset funds	20,376,168	19,591,237
Unrestricted fixed asset fund	272,189	272,812
Pension reserve	<u>(413,000)</u>	<u>(936,000)</u>
Total	<u><u>23,033,165</u></u>	<u><u>20,823,578</u></u>

Ash Church of England Primary School is carrying a net deficit of £38,084 on these funds because:

The school is in a deficit due to a significant delay in the Local Authority calculating, confirming and transferring the balance due to Ash CofE Primary School.

The trust is taking the following action to return the academy to surplus:

In total there will be £118k of which £73k has been received and the remaining £45k will be received by the 20th November.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

16 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2024 £
Preston Primary Academy Trust	162,955	316,083	4,818	67,487	551,343
Preston C of E Primary School	1,444,922	316,226	69,679	249,409	2,080,236
Kingfisher Primary School	965,077	254,072	51,507	199,781	1,470,437
Manor Court Primary School	1,579,876	315,398	57,701	300,513	2,253,488
Countess Gytha Primary School	630,008	140,103	35,785	146,929	952,825
North Cadbury C of E Primary School	392,525	71,201	24,787	131,791	620,304
Huish Episcopi Primary School	729,700	156,072	46,566	193,345	1,125,683
Hambridge Primary School	417,124	94,203	27,619	129,806	668,752
Middlezoy/Othery Primary School	358,953	91,275	22,952	112,772	585,952
Ash Church of England Primary School	174,168	33,599	3,366	41,884	253,017
Pen Mill Infant and Nursery Academy	302,778	39,282	6,917	107,347	456,324
Academy Trust	<u>7,158,086</u>	<u>1,827,514</u>	<u>351,697</u>	<u>1,681,064</u>	<u>11,018,361</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024 (CONTINUED)

16 Funds (continued)

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total 2023 £
Preston Primary Academy Trust	162,160	284,945	9,836	12,126	469,067
Preston C of E Primary School	1,380,937	326,302	77,623	266,857	2,051,719
Kingfisher Primary School	871,444	237,714	58,168	204,868	1,372,194
Manor Court Primary School	1,393,748	283,590	60,146	294,406	2,031,890
Countess Gytha Primary School	567,024	129,858	29,429	150,761	877,072
North Cadbury C of E Primary School	402,377	75,817	19,553	130,100	627,847
Huish Episcopi Primary School	652,003	150,988	41,758	193,715	1,038,464
Hambridge Primary School	418,146	91,111	21,569	140,704	671,530
Middlezoy/Othery Primary School	336,009	87,423	23,030	128,780	575,242
Academy Trust	<u>6,183,848</u>	<u>1,667,748</u>	<u>341,112</u>	<u>1,522,317</u>	<u>9,715,025</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

16 Funds (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2024 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	272,189	-	20,229,265	20,501,454
Current assets	927,236	2,642,935	184,147	3,754,318
Current liabilities	-	(772,363)	(4,505)	(776,868)
Creditors over 1 year	-	-	(32,739)	(32,739)
Pension scheme liability	-	(413,000)	-	(413,000)
Total net assets	<u>1,199,425</u>	<u>1,457,572</u>	<u>20,376,168</u>	<u>23,033,165</u>

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	272,812	-	19,554,461	19,827,273
Current assets	538,782	2,221,953	76,280	2,837,015
Current liabilities	-	(865,206)	(4,505)	(869,711)
Creditors over 1 year	-	-	(34,999)	(34,999)
Pension scheme liability	-	(936,000)	-	(936,000)
Total net assets	<u>811,594</u>	<u>420,747</u>	<u>19,591,237</u>	<u>20,823,578</u>

18 Long-term commitments, including operating leases

Operating leases

At 31 August 2024 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Amounts due within one year	958	4,475
Amounts due between one and five years	638	1,596
	<u>1,596</u>	<u>6,071</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

19 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2024	2023
	£	£
Net income	1,643,587	170,185
Depreciation	697,191	623,410
Capital grants from DfE and other capital income	(262,086)	(669,036)
Interest receivable	(340)	(310)
Defined benefit pension scheme obligation inherited	146,000	-
Defined benefit pension scheme finance cost	(103,000)	120,000
Increase in debtors	(12,113)	(101,273)
(Decrease)/increase in creditors	(92,844)	266,720
Fixed assets transferred on conversion	(959,624)	-
Net cash provided by Operating Activities	<u>1,056,771</u>	<u>409,696</u>

20 Cash flows from financing activities

	2024	2023
	£	£
Repayments of borrowing	<u>(2,260)</u>	<u>(2,260)</u>
Net cash used in financing activities	<u>(2,260)</u>	<u>(2,260)</u>

21 Cash flows from investing activities

	2024	2023
	£	£
Dividends, interest and rents from investments	340	310
Purchase of tangible fixed assets	(411,765)	(1,353,394)
Capital funding received from sponsors and others	<u>262,086</u>	<u>669,036</u>
Net cash used in investing activities	<u>(149,339)</u>	<u>(684,048)</u>

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

22 Analysis of cash and cash equivalents

	2024 £	2023 £
Cash in hand and at bank	<u>3,478,903</u>	<u>2,573,731</u>
Total cash and cash equivalents	<u>3,478,903</u>	<u>2,573,731</u>

23 Analysis of changes in net debt

	At 1 September 2023 £	At 31 August 2024 £
Cash	<u>2,573,731</u>	<u>2,573,731</u>
Total	<u>2,573,731</u>	<u>2,573,731</u>

24 Member liability

Each member (with the exception of Bath & Wells DBE Trust which is liable for £nil) of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

25 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 Somerset County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

Contributions amounting to £207,056 were payable to the schemes at 31 August 2024 (2023: £148,303) and are included within creditors.

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

25 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million

The result of this valuation will be implemented from 1 April 2024. The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to TPS in the period amounted to £891,184 (2023: £712,372).

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 is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the academy trust has taken advantage of the exemption in FRS 102 and 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 scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2024 was £980,000 (2023 - £841,000), of which employer's contributions totalled £788,000 (2023 - £675,000) and employees' contributions totalled £192,000 (2023 - £166,000). The agreed contribution rates for future years are per cent for employers and per cent for employees.

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

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

25 Pension and similar obligations (continued)

Principal actuarial assumptions

	2024	2023
	%	%
Rate of increase in salaries	4.30	4.40
Rate of increase for pensions in payment/inflation	2.80	2.90
Discount rate for scheme liabilities	<u>5.10</u>	<u>5.30</u>

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

	2024	2023
Retiring today		
Males retiring today	21.00	21.10
Females retiring today	23.00	22.90
Retiring in 20 years		
Males retiring in 20 years	22.30	22.30
Females retiring in 20 years	<u>24.40</u>	<u>24.30</u>

Sensitivity analysis

	2024	2023
	£	£
Discount rate +0.1%	10,158,000	7,760,000
Discount rate -0.1%	10,580,000	8,080,000
Mortality assumption – 1 year increase	10,641,000	8,127,000
Mortality assumption – 1 year decrease	<u>10,098,000</u>	<u>7,714,000</u>

The academy trust's share of the assets in the scheme were:

	2024	2023
	£	£
Equities	7,372,000	5,292,000
Gilts	417,000	219,000
Other bonds	1,205,000	715,000
Property	676,000	555,000
Cash and other liquid assets	<u>283,000</u>	<u>201,000</u>
Total market value of assets	<u>9,953,000</u>	<u>6,982,000</u>

The actual return on scheme assets was £475,000 (2023 - £164,000).

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

25 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2024	2023
	£	£
Current service cost	(650,000)	(732,000)
Interest cost	(30,000)	(58,000)
Admin expenses	(5,000)	(5,000)
Total amount recognized in the SOFA	<u>(685,000)</u>	<u>(795,000)</u>

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

	2024	2023
	£	£
At start of period	7,918,000	7,903,000
Current service cost	598,000	732,000
Interest cost	448,000	336,000
Employee contributions	192,000	166,000
Actuarial (gain)/loss	55,000	(1,079,000)
Benefits paid	(91,000)	(140,000)
Effect of non-routine settlements	1,246,000	-
At 31 August	<u>10,366,000</u>	<u>7,918,000</u>

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

	2024	2023
	£	£
At start of period	6,982,000	6,205,000
Interest income	418,000	278,000
Actuarial gain/(loss)	470,000	(202,000)
Employer contributions	788,000	675,000
Employee contributions	192,000	166,000
Benefits paid	(91,000)	(140,000)
Effect of non-routine settlements	1,194,000	-
At 31 August	<u>9,953,000</u>	<u>6,982,000</u>

Local government pension schemes

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

26 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.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.

Expenditure related party transactions

During the year the academy made the following related party transactions:

Diocese of Bath & Wells

During the year, the academy trust purchased services for rent and training, totalling £2,235 (2023: £2,373).

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2023.

At the balance sheet date the amount due to Diocese of Bath & Wells was £Nil (2023 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying 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.

27 Events after the end of the reporting period

Since the year end, the Regional Schools Commissioner has approved the transfer of three schools into the MAT. Evercreech Church of England Primary School and Lovington Church of England Primary School will transfer in on 1 December 2024. Ilchester Community Primary School is expected to transfer in on 1 April 2025..

28 Transfer of existing academies into the Trust

On 1 April 2024, Pen Mill Infant and Nursery Academy joined the academy trust and all the operations, assets and liabilities were transferred to Preston Primary Academy Trust for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding amounts recognised as income in the Statement of Financial Activities.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

28 Transfer of existing academies into the Trust (continued)

Pen Mill Infant and Nursery Academy

	Value reported by transferring academy trust £	Transfer in recognised £
Tangible fixed assets		
Leasehold land and buildings	676,027	676,027
Leasehold improvements	200,039	200,039
Furniture and equipment	18,733	18,733
Computer equipment	34,324	34,324
	<u>929,123</u>	<u>929,123</u>
Other assets		
Debtors due in less than one year	186,232	174,215
Cash in bank and in hand	293,236	293,236
	479,468	467,451
Liabilities		
Creditors due in less than one year	(44,771)	(44,771)
Pensions		
Pensions – pension scheme liabilities	(126,000)	(126,000)
Net assets	<u>1,237,820</u>	<u>1,225,803</u>

29 Academy trust with a newly converted academy

On 1 June 2024 the Ash Church of England Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Preston Primary Academy Trust from the Somerset Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

PRESTON PRIMARY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

(CONTINUED)

29 Academy trust with a newly converted academy (continued)

	Unrestricted fund £	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets				
Freehold land and buildings	-	-	30,000	30,000
Other tangible fixed assets	-	-	500	500
Budget surplus on LA funds	21,836	44,858	13,532	80,226
LGPS pension deficit	-	(20,000)	-	(20,000)
Net assets	<u>21,836</u>	<u>24,858</u>	<u>44,032</u>	<u>90,726</u>

The above net assets include £80,226 that were transferred as cash.