

Peterborough Keys Academies Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number:
11108321 (England and Wales)



PETERBOROUGH KEYS
ACADEMIES TRUST

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Reference and Administrative Details

Members	Richard Astle Roy Duncan Matthew Edwards Claire Higgins Penelope Walkinshaw
Trustees	Claire Higgins (Chair) Bernard Champness (resigned 27/05/22) Colin Hammond Tracey Hedges William Kerry Lisa Lloyd (resigned 18/04/22) Adriano Pacitti Alan Sadler
Company Secretary	Emma Stephens-Dunn
Executive Team	
Chief Executive Officer & Accounting Officer	Pamela Kilbey (resigned 31/08/22)
Chief Executive Officer & Accounting Officer	Ian Young (from 01/09/22)
Chief Operating Officer	Matthew Deere
Chief Finance Officer	Deborah Keith
Director of Primary Education	Martin Fry
Headteacher	Jon Hebblethwaite (from 01/09/22)
Leadership Group	
Headteacher	Victoria Bowyer
Headteacher	Alma McGonigle-Campbell
Headteacher	Ryan McLay
Headteacher	Katharine Simpson-Holley (resigned 31/08/22)
Headteacher	Katherine Trethewy
Deputy Headteacher	Alex Ford (from 01/09/22)
Teaching & Learning Project Lead	Christopher Game
Company Name	Peterborough Keys Academies Trust
Principal and Registered Office	Jack Hunt School, Bradwell Road Peterborough, PE3 9PY
Company Registration Number	11108321 (England and Wales)
Independent Auditor	Moore, Rutland House Minerva Business Park, Lynch Wood Peterborough, PE2 6PZ
Bankers	Lloyds Bank plc, Fenlands House Manorgrove Centre, Vicarage Farm Road Peterborough, PE1 5UH
Solicitors	Greenwoods GRM LLP, Monkstone House 30 City Road, Peterborough, PE1 1JE

Trustees' Report

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 01 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

Peterborough Keys Academies Trust (PKAT) was incorporated on 12 December 2017 and commenced trading 01 April 2018 in line with the Funding Agreement.

The academy Trust operates one secondary and four primary academies in Peterborough. Its academies have a combined aggregated Published Admission Number of 3,750 (2021: 3,720) and had a roll of 3,529 (2021: 3,529) in the school census in October 2022.

A trading company was incorporated on 4 September 2018 to allow PKAT to focus on the directly related educational activities. PKAT Trading has been consolidated in these accounts.

Structure, Governance and Management

Constitution

The academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy Trust. The Trustees of Peterborough Keys Academies Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as PKAT.

Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 3.

Members' Liability

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

Trustees' Indemnities

PKAT has purchased insurance to indemnify the Trustees to the value of £5m and in the case of Pollution Defence Costs £25m.

Method of Recruitment and Appointment or Election of Trustees

There will be a minimum of three Trustees and a maximum of 12 excluding the Chief Executive Officer, Parent Trustees and Co-opted Trustees.

The first Trustees were those persons named in the statement delivered pursuant to sections 9 and 12 of the Companies Act.

Trustees' Report (continued)

Future Trustees will be appointed by Members, ensuring that the total number of Trustees who are also employees, including if the CEO if appointed in the future as a Trustee, of PKAT shall not exceed one third of the total number of Trustees.

As PKAT academies have established Academy Committees (formerly known as Local Governing Bodies), specific Parent Trustees are not currently required. If Academy Committees ceased to exist, then a minimum of 2 Parent Trustees would be elected.

If the Chief Executive Officer agrees to so act, the Members may by ordinary resolution appoint the Chief Executive Officer as a Trustee. The previous Chief Executive Officer was an Ex-officio Trustee. PKAT has determined this is not a model it wishes to continue.

Policies and Procedures Adopted for the Induction and Training of Trustees

Since conversion a PKAT Company Secretary has been appointed with responsibilities including the co-ordination of the induction of Trustees and their on-going training and maintaining training records for all Members, Trustees and Governors.

There is a Trustee and Governor Induction Procedure in place for new appointees. The process is led by the relevant Chair, with input from the Headteacher or CEO (as applicable) and support from the governance professional. New Governors and Trustees will have a mentor assigned to them.

Organisational Structure

A Scheme of delegation is in place and reviewed annually by the Trust Board. In line with DfE guidance PKAT has a structure of Members and Trustees. The Trustees have two sub-committees being Finance, Audit & Risk and People & Infrastructure. An academic year Governance Planner includes a schedule of meetings for the main Trust Board, the two Committees and Academy Committees with agenda items scheduled to meet external deadlines and Trust priorities. The Trust Board, both Committees and the Academy Committees have appropriate Terms of Reference which are reviewed at least annually.

A PKAT Executive Team has been established to co-ordinate the work across PKAT and the role of the PKAT Leadership Group has been redefined to focus on co-ordinating the work across PKAT schools. The detail of non-teaching aspects is co-ordinated through a Finance and Business Managers Group, which is a productive forum meeting termly for collaboration. Each school has a Senior Leadership Team.

Arrangements for setting pay and remuneration of key management personnel

A PKAT Pay Policy document sets out the precise details of how remuneration for all PKAT staff is determined. In broad terms, teaching staff are remunerated in line with the School Teachers Pay and Conditions Document and Support Staff in line with the National Joint Council.

The PKAT Pay Policy sets out the pay ranges for the Trust Executive and the calculations for individual school Headteacher pay ranges. Within these parameters three Trustees performance manage the Chief Executive Officer. The Chief Executive Officer performance manages the Executive Team. The Director of Primary Education performance manages the Primary School Headteachers.

Trustees' Report (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.30

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£17.6k
Provide the total pay bill	£16.7m
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.11%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	100%
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Related Parties and other Connected Charities and Organisations

PKAT Trading covers all of the activities not directly related to education. All results are transferred to PKAT in line with the Articles of Association.

Jack Hunt School Community Learning Trust is in the process of being closed down having had no activity since 2019-20.

There are no connected charities to disclose.

Engagement with employees (including disabled persons)

Regular briefings are held with employees to advise on matters of note. Where necessary, during the later stages of the COVID pandemic, briefings have been conducted online and are recorded in some cases to aid accessibility. Specific briefings are held with various teams both within schools and cross-Trust during the year to update on educational and operational (including financial) matters.

A staff survey was conducted across the Trust in order to seek employee opinion and gain feedback to support and inform future direction and strategy. Summary results were shared with Trustees.

Trustees' Report (continued)

Engagement with employees (including disabled persons)

Our Trust has developed the 'PKAT Promise' which details to current and prospective staff the commitment the academy Trust makes to its employees. The academy Trust promises to staff that they can expect us to:

- see you as a person, not just a practitioner;
- value your career, not just your commitment;
- reward and recognise, not just require;
- focus on your well-being, not just your workload.

Wellbeing leads have been appointed to further develop this promise, with a particular focus on wellbeing.

The academy Trust continues to invest in an employee benefits platform providing staff with access to a range of incentives, discounts and services as part of the employment package. Within this platform staff also have access to an employee assistance programme, enabling them to seek support outside the organisation for a range of issues. The platform features a 'wellness' hub where staff can access a range of benefits linked to maintaining wellbeing. All employee benefits are structured around their impact to colleagues in the following wellbeing areas:

- Health
- Physical
- Professional
- Domestic
- Financial

The employee deal was further enhanced in 2021/22 by the academy Trust's provision of free flu vaccination clinics for employees at each school during the Autumn.

The academy Trust has in place a significant number of Apple iPads across the Trust harnessing the power of global technology experts to deliver a transformational digital learning project. Project 'iLearn' has the mission to unlock potential and encourage students and pupils to be creative, engaged, skilled and confident digital learners. Aside from teaching and learning one of the core missions of this project is to drive change in working patterns that bring benefits for professionals from a workload perspective. Staff have been equipped with devices to meet this objective and Digital Champions installed to promote best practice.

The academy Trust serves an extremely diverse community. As a result, the approach to recruitment is in-line with the ethos across the academy Trust in that it does not discriminate or distinguish between applicants based on any protected characteristic, including disability. Shortlisting of candidates takes place without hiring managers having data regarding physical impairment. Any colleague beginning service with a disability or developing a disability during service, is supported via the academy Trust's Occupational Health Advisors and Access to Work arrangements are facilitated where required. Pre-employment health screening is undertaken with successful candidates so that support can be arranged, where required, as part of onboarding.

Trustees' Report (continued)

Engagement with suppliers, customers and others in a business relationship with the academy Trust

PKAT recognises the importance of fostering good working relationships with suppliers whilst not breaching the boundaries to blur the requirements of public sector procurement. To help ensure suppliers are paid on time and correctly, PKAT operates a "no PO no Pay" policy and would expect suppliers to decline to make supplies until a purchase order has been received.

PKAT's Finance Manual includes a detailed approach to purchasing to ensure that suppliers are treated fairly when all but the smallest purchasing decisions are made.

Although PKAT's main income is from Government there are still a number of customers that it works with. To facilitate relationships PKAT ensures invoices are raised timeously in line with agreements made.

Objectives and Activities

The Vision of the Trust

Creating a Learning Community through:

- Unlocking Learning
- Unlocking Potential
- Unlocking Futures

Trust Key Values (our 5 Keys to unlock potential)

Our key values underpin all the work in every Trust school.

PERSONAL BEST

- We challenge, support and inspire each other and ourselves to achieve our Personal Best.
- We take pride in ourselves and our schools as we confidently take responsibility for our behaviours to achieve our dreams and aspirations.
- We are self-aware learners who take care of our physical and mental well-being.

LEADERSHIP

- We form positive relationships and grow ourselves as leaders.
- Our leadership skills will have a positive impact on others.
- Our leadership skills are transferrable to the next stage of our learning and beyond.

Trustees' Report (continued)

LEARNING

- We collaborate to create deep, independent, curious and resilient learners.
- We acquire, apply and retain powerful and essential knowledge and skills which we are able to transfer and use across our lives.
- We are citizens who have been introduced to the best that has been thought and said and appreciate human creativity and achievement.

OPPORTUNITY

- We make the most of every opportunity open to us.
- We recognise that the opportunities offered in and beyond the classroom broaden and enrich us.
- Our participation in the opportunities offered build our cultural capital needed to succeed in life.

COMMUNITY

- We are caring citizens who want to make a positive impact within our local and global communities.
- We inform and engage our parents and carers in the learning journey of their children and support them to meet challenges.
- Our belief in 'being different and belonging together' enables us to succeed in our diverse and modern world.

Objects and Aims

The PKAT Articles of Association set out its objects as:

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

Trustees' Report (continued)

To support the objects PKAT's aims are to provide:

- Personalised learning leading to enjoyment, success and achievement for all.
- A safe, healthy, orderly, sustainable and cohesive school community.
- Effective engagement with our learners, parents, local communities and partners.
- A positive, proactive approach to innovation and continuous improvement for all.

Objectives, Strategies and Activities

Trustees and the executive team have devised a strategic plan that positions the academy Trust for growth and potential economies of scale over the next 5 years. Key additional appointments have been made in the form of a full-time CEO and the post of Director of Primary Education. The Trust is now well positioned to accept one or more additional schools in the current academic year.

This year, the Trust Leadership Team re-clarified the vision and values of the Trust to communicate clearly to parents of children choosing their child's first school and to schools who show an interest in joining PKAT. Our vision is to create a learning community of exceptional schools that radically improve students' life chances. We seek to widen their aspirations; to reach destinations that are attainable and fulfilling. We work to raise attainment and provide exceptional teaching and learning for all our children and students through high expectations of academic success and behaviour.

Working together as a Multi-Academy Trust allows us to use the expertise across our 5 schools to meet our common goals to give our pupils and students an inclusive, innovative learning community that respects and benefits everyone and has aspirational plans for the future.

In pursuit of our vision and aims, all schools and academies have a School Development Plan which are reviewed by the Senior Leadership Teams, Executive Team, Academy Committees and Trustees. Our plans are founded upon our 5 Keys – Personal Best, Learning, Leadership, Opportunity and Community.

This year has seen a cross-Trust focus upon curriculum planning and implementation, moving beyond the 'recovery curriculum' implemented as a result of the pandemic. In response to the pandemic's continuing effect on children's learning the schools in the Trust continued to review and refine their curriculum as they identified gaps in knowledge and skills. The focus remained on enabling all children to unlock their potential. This has been achieved using the 'catch up' funding to target children most affected by Covid and our provision of technology for use in school and at home. In addition, Year 11 and Year 13 students were supported by an additional timetabled hour after school to catch up their learning. The additional work on children's mental health and well-being continued to be a focus in schools. The curriculum review and road mapping from EYFS to Year 13, linked to the 5 Keys continued to be supported by School Improvement Associates.

Trustees' Report (continued)

All schools work in partnership on a PE and Sport offer – selected children in each school are trained as Sports Ambassadors, Lunchtime Leaders and Health Ambassadors. Tournaments and activities are also organised for a wide range of year groups, often hosted in the Jack Hunt Sports Hall.

Trust primary schools worked together to create a PKAT Primary Relationships Policy and, post pandemic, PSHE has been identified as a priority. The Cambridgeshire Life Bus visited Ravensthorpe School in the Autumn Term 2021, with more schools booking this provision in 2022/23. A new 'Safety Curriculum' was developed and piloted at Middleton School and is being launched across the Trust in January 2023. The curriculum involves a weekly online safety lesson for children in each year group from EYFS to Year 7. Online has been identified as a priority following feedback from staff and parents.

All schools have fully trained Behaviour Steps Tutors. Steps is a therapeutic approach to managing behaviour, supporting those children who have experienced trauma and are displaying anti-social behaviours at school. At Ravensthorpe, a Forest School Base has been established with the Peterborough Virtual School to support primary aged children in the Trust with social, emotional and mental health needs and children in care across the city of Peterborough. Each school now has a trained Mental Health Leader with training costs funded by DFE. All schools have benefited from the Local Authority Mental Health team as a source of support.

Two schools in the academy Trust continued to work with Professor Deborah Eyre on her High Performance Learning (HPL) strategies. One school was accredited as a World Class School and the other was accredited as a High Performing School. All schools in the Trust continue to be committed to a growth mindset.

The Trust 'iLearn' iPad project, where 1 to 1 devices have been provided to all students in Years 12, 11, 10, 6 and 5, continues to be developed and embedded in each school. We have maintained our view that the challenging economic climate and cost of living crisis on our community means that for the moment, we have to do this without parental contributions. Project sustainability is now something that we may have to consider again as we look at the possible roll-out of devices in other year groups, having seen the success it has had on pedagogy, student engagement and learning, and national examination results.

The use of iPads has been a major part of curriculum recovery and remote learning offer since the height of the pandemic. The impact of the iPads is being monitored and reported back to Trustees regularly.

iPads are also valued highly by the pupils and staff in Years 5 and 6 and they are used in a wide range of ways; including outdoor learning on school trips. Staff and pupils are using several apps, such as Bedrock Vocabulary, TT Rockstars and Myon Reading (on-line books). This reading app has proved very popular to support pupils' reading at home and has been especially beneficial for children who do not have access to many or any books in their homes. In lessons pupils have learned to work with headphones to encourage independent learning. This allowed staff to intervene with those pupils that needed more support.

Trustees' Report (continued)

There have been a number of achievements and impactful activities across the Trust in 2021-22. Ravensthorpe School won a national Rotary Club Recycling competition and Longthorpe won the regional STEM Lego League competition. As part of their work as a Hearing-Impaired Hub, Middleton School hosted a family picnic and fete for deaf and hearing-impaired children and their families from across Peterborough.

Jack Hunt School won an Award at the Peterborough Civic Ceremony for the work it does for the local community during the pandemic and a sixth form student became the Youth Deputy MP for Peterborough.

Jack Hunt School has been selected to be the School Games Organiser for all the Primary Schools in Peterborough and the FA Lead for Girls' football in the city. Middleton Primary School won the Eastern regional finals in boys' football, girls' football and the NFL Flag American football tournament. A former PKAT student, represented Jamaica in the Beijing Winter Olympics as the brakeman in the Bobsleigh event.

To celebrate International Women's Day, Malala Yousafzai the Economist Magazine's Editor in Chief, held a conversation on Zoom. Three questions worldwide were chosen for Malala to answer. One was from a school in the Occupied Territory of Palestine, one from Lebanon and the third from a Year 6 pupil at Ravensthorpe School.

Trips and visits resumed once Covid restrictions were lifted. Children enjoyed a range of visits to places of importance to the curriculum, including a joint Middleton and Ravensthorpe School visit to the Houses of Parliament, theatre trips and outdoor adventure activities at Grafham water and Snowdonia. Every Year 3 child and Year 5 child had the opportunity to enjoy a camping trip to Rutland as part of the Trust's commitment to outdoor education.

All children and students across the Trust enjoyed a range of events to celebrate Queen Elizabeth II's Platinum Jubilee.

The Academy Trust remains extremely proud of its students and committed to meeting their needs. The well-qualified and dedicated teaching and support staff have high aspirations for, and high expectations of, every single student. The Trust wants its students to be well-rounded, confident, caring young people with leadership skills, who are motivated to achieve their best; are fully involved in their schools and the wider Trust, along with local and global communities and leave PKAT as life-long learners equipped to build on their success and contribute positively to the future of society.

Trustees' Report (continued)

Public benefit

PKAT Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission, in exercising their powers or duties.

In setting the objectives, PKAT Trustees have complied with their duty to have due regard to the Charity Commission's general guidance on public benefit and supplementary guidance on education as published on their website. The main public benefit delivered by the Trust is the provision of a high-quality education to its students.

In addition to providing free statutory education, hosting Physically Impaired and Hearing Impaired Hubs to integrate students, Trust schools support the residents of their local communities by being available for them to hire during weekday evenings and weekend mornings, including Chinese School, Latvian School, basketball league, netball league, badminton, tae kwon do, football, deaf football, the Faith in Christ Church, cricket, guitar lessons, Scouts, Brownies and Guides Gang Show preparation, West Peterborough Dance, U3A and hosting holiday clubs for a wide range of children across Peterborough. Jack Hunt School always supports Pakistani Heritage community events, Police and local residents' events.

Ravensthorpe School has designated part of its school field and has worked with a variety of community groups and the local Housing Association to create the West Raven Community Garden. The Garden hosts many different schools, nurseries, community groups and arranges a series of events linked to the seasons at weekends and in holidays.

Ravensthorpe Primary School ran the government funded Holiday and Food (HAF) programme in each major holiday to support disadvantaged families across the PKAT community.

Trust schools continue to support children and families who have moved to Peterborough because of conflict. Ukrainian refugee children have joined primary schools since February in addition to children from Syria and Afghanistan.

Jack Hunt School supports students entering Higher Education in the following ways; visiting speakers from a range of professions; a bespoke programme to link our students with experts in the field; a two-week work experience programme for all Year 10 students; leadership lessons for all Year 9 students and the opportunities to be involved in National Citizen Service, Duke of Edinburgh Award Scheme, and Sports Leaders Award ensure the wider curriculum offer prepares students for University and other Level 3 options as well as developing their employability skills.

All pupils and students in the academy Trust took part in a wide range of events to raise money for different charities throughout the year including Children in Need and food and clothing collections for Ukrainian refugees. All schools took part in the annual PKAT Hamper competition which provides food and toiletries for homeless people over the Christmas period. Children across Trust schools in Year 5 also took part in an art competition to design a footbridge – the winning entries being placed on hoardings around the Longthorpe Footbridge renovation on the A47 in Peterborough. In addition, pupils and students across the Trust were able to take part in an Art competition where the work is displayed on the walls of Peterborough City Hospital.

Trustees' Report (continued)

Strategic Report

Achievements and Performance

Four schools were inspected by Ofsted at the very end of the summer term, their first inspections since conversion. The remaining school was inspected at the start of Autumn term 2022. Reports have been published in the Autumn term. Of the two sponsored schools one has moved from Inadequate to Good and the other school was judged as Requiring Improvement. The other three schools have been judged as Good.

The academy Trust remains determined to improve outcomes for its pupils and students.

Key Performance Indicators

2021/22 Primary Schools Key Stage 2 data:

Subject	Longthorpe Primary School	Middleton Primary School	Ravensthorpe Primary School	Thorpe Primary School	PKAT average	National average
Reading	83%	71%	54%	72%	71%	74%
Writing	54%	44%	64%	52%	52%	69%
Maths	81%	76%	44%	72%	70%	71%
Combined Reading Writing Maths	51%	41%	36%	44%	44%	59%

National data is provisional until December 2022

End of Key Stage 2

In reading, every school made improvements in their reading scores compared to 2019 with the aggregate reading outcome (71%) being just below national (73%). In writing, the Trust aggregate writing outcome was 52% at the expected standard compared to 69% nationally. This is a significant change from pre-Covid 2019 where 67% of children were at the expected standard. Writing at Middleton Primary School was moderated by the Local Authority. In maths, a Trust aggregate of 70% of children reached at least the expected standard in maths compared to 71% nationally.

Trustees' Report (continued)

Early Years

In September 2021, a new Early Years Framework was launched and adopted by all schools in England. The expectations for early reading, writing, use of vocabulary have been raised. PKAT EYFS leaders were supported by a series of visits by an external consultant to identify strengths and areas of improvement. An Early Years Leader Network was established, which included a conference to align moderation practice and provision across the Trust. A PKAT Reception tracking system has been developed and shared with other schools across Peterborough. This will ensure that baseline assessments and exit assessments are accurate and truly reflect the cohort. All Trust primary schools used the Nuffield Early Language Intervention to support speaking and listening schools post-Covid. All PKAT schools are working with the New Wave Hub in London to train staff to audit and monitor phonics and early reading (funded by DFE). Middleton and Longthorpe Schools use Success for All as its phonics scheme, with Ravensthorpe and Thorpe using Read Write Inc.

Secondary School data:

Key Stage 4 – provisional data August 2022 results

Measure	Jack Hunt School	England Average
Progress 8 score	0.44	Average –
Entering EBacc	28%	%
Staying in Education or employment*	63%	%
Grade 5 or above in English & Maths GCSE	43%	%
Attainment 8 score	46.73 points	points
EBacc average point score	2.94 points	points

England average data has not yet been released.

*not all year 11 leavers data has been received so this figure is expected to increase significantly.

Key Stage 5

Measure	Jack Hunt School	England Average
Progress score A-levels	Average –	Average –
Progress score all academic qualifications	Average – -0.11	Average –
Progress score applied general qualification	Average – -0.58	Average –
Average Result A-levels	31.73 points	points
Average Result all academic qualifications	31.73 points	points
Average Result applied general qualification	31.09 points	points
Staying in education or employment	96%	%

England average data has not yet been released. There is no progress data for this cohort as they did not sit KS4 examinations due to COVID.

Trustees' Report (continued)

Both the Centre Assessed Grades of 2020 and the Teacher Assessed Grades of 2021 for GCSE and A Level were completed rigorously and showed an upward trend from the 2019 results. The 2022 examination results confirmed this upward trend with Jack Hunt School obtaining its highest attainment results at 67% EM4+ and 87% of students achieving their first place University choices. This contrasted with most schools who saw their %EM4+ fall somewhere between the 2021 and 2019 figure and only 70% of A Level candidates achieving their first place University choice. Jack Hunt School also saw extremely impressive progress figures with +0.32 progress overall and Pupil Premium at 0.17. In the History Curriculum Area, where the Curriculum Leader used the iPads to support pedagogy the progress this group made was +1.12.

A suite of Key Performance Indicators has been agreed upon for monthly internal reporting, the KPI dashboard commenced in relation to September 2021. The Finance, Audit and Risk Committee deemed the measures appropriate to give more insight across the Trust than simply reviewing the financial reports.

COVID-19 Impacts

Trust schools planned to return to pre-Covid norms last academic year. However, high rates of Covid across the City and amongst students and staff impacted significantly upon school improvement and provision. Throughout the year, but particularly in the winter and early spring, Headteachers were under enormous pressure to manage staff absence and its impact upon the quality of education and pupil outcomes.

From November 2021 to March 2022, all in-person meetings and events were either cancelled or moved to the virtual space. For example, parent-teacher meetings, Trust 'teachmeet' network meetings, any trips and visits.

Supply teachers were used wherever possible to cover absent staff. The impact of the use of supply staff or school staff to cover absent staff was threefold: the impact on the quality of learning when students' regular teacher was absent; the impact on school staff who had to take on emergency cover; and the additional costs to the supply budgets.

Primary schools had to continue to 'ring fence' year groups and combine classes when teachers were absent and Jack Hunt School has had to manage significant staff absence throughout the winter by having one year group at a time learning remotely at home for a three day period. This was in consultation with the DfE and the Local Authority.

Staff and students have reacted in many different ways to the ongoing pressures of the pandemic. Existing support has been used for staff either via their line manager or through the Employee Assistance Scheme. Secondary age students have had access to the School Counsellor in addition the Student Support Officers and Heads of House. Primary age pupils have had access to pastoral support and family liaison to support their well being. Staff have been dedicated to continuously performing their safeguarding responsibilities whether staff and pupils have been in or out of school.

There has also been an increase in Long Covid in children. Figures from the Office for national Statistics (ONS) show that in March, 4.8% of 11- to 18-year-olds in England experienced long COVID after their most recent infection, where symptoms affecting everyday life last for at least three months. This compares to 2.7% in November and December 2021.

Trustees' Report (continued)

Our Trust schools have seen the effect of the pandemic on the pupils joining us in Reception. Particularly with speech and language skills. Government data revealed a 7% increase in children under four receiving extra help and support. Ofsted has said some pandemic babies have "limited vocabulary" while others "struggled to respond to basic facial expressions".

The financial impacts, including on PKAT reserves, are described in more detail under the Financial Review section and resultant risks are covered under the Principal Risks and Uncertainties section.

No impact on investments is foreseen as PKAT does not hold any. The recovery has affected the economy such that high discount rates that have resulted in pension gains.

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 immediate foreseeable future. In common with the majority of schools and Multi Academy Trusts in the Education sector PKAT has had to add in a number of significant budget pressures since the summer budget submission to the ESFA. The larger pressures are:

- increasing the teachers' pay award from 3% to 5% effective from 01 September 2022
- increasing support staff pay award from 1.5% to a flat increase to all Full Time Equivalent salaries of £1,925 effective from 01 April 2022
- increasing support staff holiday allowance by 1 day from 01 April 2023, as the majority of staff are term time only with paid holiday this increases costs
- factoring in energy cost increases, mitigated to some extent by the price cap
- offset by a small degree due to the reduction in National Insurance contributions

The Trust does have a number of initiatives in progress to attempt to make savings these include:

- additional scrutiny of budgets
- engaging a School Resource Management Advisor provided by the ESFA
- adopting the ISBL I-SOT Integrated Curriculum Planning Tool
- employing a number of marketing strategies to increase Number on Roll

The Trustees discussed Going Concern in the Autumn Term in addition to the normal in-depth discussion in the Summer Term to consider the emerging pressures and mitigating actions initiated.

For these reasons, 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.

Promoting the success of the company

The academy Trust appointed a Head of Marketing during 2021/22. The Head of Marketing has focused on improving the Trust brand positioning and that of its schools as a core part of the remit. The work is expected to contribute towards steadying and improving pupil rolls by promoting the successes of the organisation on a routine basis.

Trustees' Report (continued)

The Trust website and those of the schools have continued to be developed having been launched as brand-new sites in the prior year. The Trust, through the Head of Marketing appointment, continues to develop its online presence and that of its schools using appropriate social media channels. Educational and operational success stories are promoted, including residential trips, visits, extra-curricular enrichment activities and construction schemes.

A dedicated People & Infrastructure Committee exists with standing agenda items to review matters related to the interests of employees, with agenda items covering marketing plans.

Trustees and Governors review and sign a Code of Conduct at least annually which is based on the model code from the National Governors Association. The academy Trust's code is reviewed and agreed by the Chair of the Board of Trustees and the Chief Executive Officer. All Trustees and Governors commit to striving to uphold this code.

Decisions of significance are discussed by the Trust's Executive and Leadership Groups and proposed for recommendation by Trust functional committees and/or approval by the Full Trustee Board. These decisions follow the academy Trust Scheme of Delegation that provides a Trust-wide governance structure and clarity over levels of authorisation. These decisions are made taking into consideration the skills and knowledge of Trustees from various professional backgrounds, informed by high-quality evidence-based and discursive papers from the academy Trust's executive. Decisions are therefore considered against medium and long-term objectives ensuring that there is due regard for any likely or foreseen adverse consequences.

The Trust Scheme of Delegation was reviewed and amended in 2021/22 with changes at school level from Local Governing Body to Academy Committees consulted upon, inclusive of changes to authorisation levels.

The Finance and Audit Committee and Finance Manual combine with the work of internal and external auditors to limit the Trustee risk of impropriety. High standards of business conduct and integrity are maintained as a matter of course as would be expected of those in public office and aligned with the seven principles of public life arising from the Nolan Committee in 1995.

Financial Review

For the year ended 31 August 2022 the Statement of Financial Activities, before pension adjustments are included, shows a surplus of £205k (2021: deficit £265k). The surplus represents less than 1% of income received for the year.

Revenue reserves balances as set out in Note 15 Funds are as follows:

Restricted General Fund, excluding pension reserves	£1.099m
Unrestricted Funds	£0.682m
Total revenue reserves	£1.781m

PKAT aims to have a balance in reserves in case of unforeseen instances. However, this is tempered to ensure that funding received for current students is used to educate current students.

Trustees' Report (continued)

PKAT's investment strategy determined its risk appetite for investing is very low. At present, an interest-bearing current account is providing a small amount of income with no risk.

During the year COVID-19 has impacted on finances in the following ways:

- £50k (2021: £162k) of additional costs have been incurred that are not reclaimable from the ESFA as PKAT schools have not met the ESFA staff absence criteria. In 2019/20 £113k of additional costs were incurred but they were covered by accrued income of the same value. After the accounts were finalised the ESFA determined only £35k of the costs would be reimbursed so there was a £78k reduction in 2020/21 income.
- The £50k (2021: £162k) of additional costs includes £25k (2021: £54k) of FSM vouchers issued for periods of isolation. In 2020/21 £43k of FSM vouchers were purchased prior to the Eden Red platform being reinstated for the Spring term lockdown.
- There was no furlough during 2021/22. In 2020/21 one school furloughed two staff involved in lettings until 31 October 2020 and was able to mitigate the £40k shortfall in lettings income with the £2k claimed during 2021/22.
- In 2020/21 suppliers were dealt with in accordance with the further DfE guidance in February 2021 that built on PPN 02/20 and PPN 04/20 so there were no issues with continuation of supply after lockdowns.
- Summer 2020 exam fee rebates were not reflected in the 2020/21 Financial Statements as the Government had undertaken to reimburse the additional burden of autumn 2020 public exams only to the extent that they exceed the summer 2020 rebates. This resulted in a net credit in 2021/22 of £19k.
- In 2020/21 catch-up funding of £263k and £9k of National Tutoring Programme funding was received, £42k unspent catch-up funding was ringfenced to continue the much-needed support of affected students in 2021/22 and of that £21k has been carried forward to 2022/23.
- The secondary school received mass testing and hosting vaccinations funding of £25k (2021: £45k).
- School Led Tutoring funding of £147k was received, £105k was spent, £69k is to be handed back and £26k of match funding was made by schools, £12k of which came from the Recovery Premium. Whilst the funding was welcomed the narrow restrictions placed on it made it difficult to fully utilise whilst there were alternative uses the schools could have made from it to support the students, if the restrictions had not been in place.
- 16-19 tuition funding of £12.6k was received, £5.4k was spent, £7.2k is to be handed back. This funding was confirmed late in the Autumn Term, it was then difficult to find external tutors and internal staff were working under the School Led Tutoring funding.
- Recovery Premium funding of £156k was received, £58k was spent, £98k is being carried forward to 2022/23

In summary the quantifiable 2021/22 net impacts are £11k net income (2021: £230k cost). However, £119k of ring-fenced funding will be re-allocated in 2022-23, turning this into a net cost of £108k. Whilst this does not constitute a concern about being a Going Concern it will necessitate some difficult decisions to reduce future costs. Trustees do not feel the need to amend the Reserves Policy.

Trustees' Report (continued)

The majority of PKAT funding is from the Education and Skills Funding Agency, supported by Local Authority for Special Educational Needs Students with Education Health Care Plans. Ancillary income generation has continued in line with legacy school approaches, most notably through letting school premises and long-term leasing of school buildings. This steady income stream has been placed under great strain as a result of the pandemic. This is under continual review as part of the ongoing Improvement Initiatives approach.

Where contracts have been expiring, endeavours have been made to buy collaboratively for PKAT rather than at individual school level where contracts are relevant for all schools, with some notable successes. As PKAT has matured, a more proactive approach to procurement is emerging and key contracts are harmonised and aligned where practical. Trustees monitor this through a focused strategic dashboard that highlights supplies and services harmonised and centralised, and those planned for future consideration.

As illustrated in Note 5 Expenditure, key objectives of PKAT have been supported by expenditure made with 64.35% (2021: 66.0%) being spent on the direct costs of the educational operations and a further 34.70% (2020: 32.6%) being spent on support costs allocated to educational operations.

Reserves Policy

As at 31 August 2022 total reserves, excluding the pension reserve, amounted to £58.366m (2021: £58.243m), of which £57.684m (2021: £57.798m) are restricted. The balance of £682k (2021: £445k) are free reserves. The Trustees review the reserve levels of PKAT annually. The review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. Where pertinent, reserves are accounted for by individual school.

Trustees determine the level of uncommitted reserves with the aim of providing sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The risk register may help to determine particular potential issues. For the 2021/22 financial year four weeks of expenditure has been assessed as the minimum reserves required, this equates to £1.758m (2021: £1.7m).

Within the Restricted Fixed Asset Fund £55.830m (2021: £55.741m) of it can only be realised by disposing of tangible fixed assets.

The pension reserve is in a deficit, £4.943m (2021: £17.203m), due to PKAT's share of the Local Government Pension Scheme (LGPS) liabilities exceeding its share of the LGPS assets.

As at 31 August 2022 the PKAT level of revenue reserves (unrestricted funds plus restricted GAG funding carried forward) is a surplus of £1.78m (2021: £1.45m). There are commitments of a low value relating to general day to day supplies due to materialise early in 2022/23. The balance is therefore in line with the reserves policy. Stringent budget management will continue to ensure this remains the case.

Trustees' Report (continued)

Investment Policy

Investments may only be made with Trustee approval in line with the PKAT Investment Policy. At present, an interest-bearing current account is providing a small amount of income with no risk.

Principal Risks and Uncertainties

A risk register was established soon after conversion and the evolved register is regularly reviewed by the Finance, Audit and Risk Committee, as well as being reviewed at least annually by the Trust Board. The register covers all categories of risk, which may affect PKAT and its constituent schools.

A cloud-based risk management platform is used to distribute risk ownership and embed risk management within the organisation at all levels. The platform gives access for Trustees to the live data and streamlined reporting at any time. The risk register is in place for the whole Trust and logins are provided to Business Managers, Headteachers and LGB/Academy Committee chairs with an expectation of regular login and engagement with the corporate risk set.

Risks are categorised as Extreme, High, Medium or Low after mitigations have been implemented. Risk management within PKAT is in line with the Academy Trust Handbook provision and 'musts' and HM Government's Orange Book. Risk profiles are changed during the year and risk movement is reported to the Finance, Audit and Risk committee, along with High and Extreme Risks.

Our risks have been classified into departments and directorates to further enable more precise focus and analysis this has enabled risks to be assigned to roles within the Trust structure, giving risk owners a slimmer set and more focused ownership. Training is made available to those new to the platform, including the concept of risk management and our Trust's approach. This systematic approach allows a much sharper focus by the Board on the most important aspects of our risk profile.

The key financial risks after mitigations have taken place are:

- PFI funding fails to keep pace with contractual cost rises through indexation under the National Funding Formula
- PKAT suffers cuts to funding as a result of national funding changes

The key non-financial risks are:

Educational

- The Trust is unable to secure appropriate standards of pupil performance in all schools
- The Trust's school communities are unaware who the Child Protection Officers and Designated Person for Safeguarding are

Trustees' Report (continued)

Premises and Estates

- The Trust's schools are impacted by force majeure or external threat
- Key premises infrastructure components fail

Technology

- The Trust endures a data breach
- The Trust does not have fit for purpose technologies to support the desire to produce outstanding outcomes

HR & OD

- The Trust does not have fit for purpose staff structures and processes to support its operations
- The Trust cannot recruit and/or retain high calibre staff

Marketing

- The Trust's schools have an inability to attract pupils
- The Trust has a poor reputation amongst the community

Fundraising

Whilst students fundraise monies for other charities as part of them learning to be good, considerate citizens there are no fundraising activities being carried out to supplement PKAT government funding and income generation activities. During 2021/22 and 2020/21 significantly less fundraising activity took place due to COVID-19 restrictions.

Trustees' Report (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	2021/22	2020/21
Energy consumption used to calculate emissions (kWh)	3,865,722	4,790,131
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	486.14	651.11
Owned transport – mini-buses	1.32	0.47
<u>Total scope 1</u>	487.46	651.58
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	230.39	261.41
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee-owned vehicles	1.49	0.57
Total gross emissions in metric tonnes CO2e	719.33	913.56
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.20	0.26

Quantification and Reporting Methodology: -

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

One school has replaced its roof, the work completed in summer 2022; there is an expectation that the watertight more modern roof will help to reduce Kilowatt hours required for heating.

Another school has increased reminders to staff to think about energy efficiency by turning off lights and turning radiators down.

Trustees' Report (continued)

Plans for Future Periods

All Trust Schools were subject to Ofsted inspections during July and September. The suggestions for improvement made through these reports have formed the basis of the Trust school improvement plans for this year. As part of this, the newly appointed Director of Primary Education is leading a new framework of support and challenge across Trust primary schools. Equally, the new Head of Jack Hunt School is leading the plan for further development at the school, which has grown significantly in size over the past few years.

The Trust continues to prepare for future growth through strengthening the operational team and investing in new systems. This will lead to significantly greater efficiency and effectiveness across our current schools in addition to creating the capacity for new schools.

All teaching staff in the Trust have received comprehensive training in the use of 1 to 1 devices. All students and pupils in Years 13, 12, 11, 10, 6 and 5 are working with these devices and the pedagogy around their use will be further developed throughout the year.

Trust appointments have been made for Safeguarding, SEND, Wellbeing and Outdoor Education. The work of these leads will evolve during the current year.

Funds Held as Custodian Trustee on Behalf of Others

No such funds are held (2021: nil).

Auditor

Insofar as the Trustees are aware:

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

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



C Higgins
Trustee

13 December 2022

Governance Statement

Scope of Responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Peterborough Keys Academies 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 four times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Claire Higgins (Chair)	4	4
Bernard Champness	3	3
Colin Hammond	3	4
Tracey Hedges	4	4
William Kerry	4	4
Pamela Kilbey	3	4
Lisa Lloyd	2	3
Adriano Pacitti	4	4
Alan Sadler	4	4

During the year, no Trustees have been appointed but two have resigned at the end of their term. The Trust Board, along with the seven Committees, which includes a Local Governing Body (LGB) for each school, have covered all of the essential requirements as set out in the PKAT Governance Planner. In addition to External and Internal audits, having appointed suitably qualified COO and CFO the Trust Board feels reassured that the quality of non-teaching data is of sufficient quality for them to discharge their duties. When the budgeting tool was replaced, two Trustees, who are both Accountants, met with the CFO to review the tool for accuracy, completeness and security of data.

Trustees are confident that the Academy Committees that replace school LGBs on 1 September 2022 coupled with the changes to the scheme of delegation, will enhance the strength of PKAT's governance.

Teaching and learning data is supplied through qualified and experienced teachers. To obtain independent validation a renowned consultancy, School Improvements Associates Ltd, has worked with all schools and their reports have been scrutinised by the Trust Board.

The Trust Board has met less than six times during the year, with effective oversight being maintained through the four or five meetings of each of the two functional sub-committees of the Board and the four meetings of each of the five school Local Governing Bodies, which are also sub-committees of the Trust Board. This being thirty-three formal meetings in total over the year.

To maintain continuity, Chairs and Vice Chairs of LGBs/Academy Committees have calendared meetings with the Chair of Trustees, the CEO and Company Secretary. The Company Secretary maintains regular contact with the Clerks of the LGBs/Academy Committees and has calendared meetings to ensure consistency of understanding of PKAT governance.

The Trust Board continues to use feedback loops to review its work and to build the results into the Governance Planner.

Trustees and governors undertook a skills audit in 2021, as well as a board self-evaluation and action planning exercise to inform training and recruitment plans. All Trustees and Governors have free access to the Peterborough and Cambridgeshire annual Governor Training Programme, as well as to National Governance Association Learning Link e-learning modules, The Key for School Governors (online governance information and resources) and advice and support from the Trust's subscription to the National Governance Association. Bespoke training is also procured to address specific needs.

Conflicts of interests

Register of interests are maintained as up to date for Trustees, Governors, Senior staff and any staff involved in financial matters. Each formal meeting commences by the Chair specifically ensuring that no person present has an interest in any of the agenda items, should this occur, the individual would be asked to leave the meeting for the duration of that agenda point.

Transactions between PKAT and PKAT Trading are on an actual cost basis, so no conflicts arise from PKAT controlling PKAT Trading.

Checks are made in procurement processes, as laid out in PKAT Finance Manual, that decision makers do not have a conflict of interest.

Governance Review

The Internal Audit Programme included a Governance review conducted in July 2022. The scope was to compare arrangements in place with the requirements of the Governance Handbook and the Academy Trust Handbook to ensure compliance and whether the arrangements remained fit for purpose.

The review identified two issues, one issue was a partial non-compliance, and the second minor issue was not accepted as it was a matter of interpretation. A new process has been put in place for 2022/23 to ensure full compliance with the issue identified.

The next review will be by internal auditors in the Summer Term of 2022/23.

The Finance, Audit and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to deal with the detail of financial, audit and risk matters.

During the year, it has:

- approved the Finance vision and strategy
- agreed a programme of internal audits to be conducted by the Internal Auditor, a different firm to the External Auditors, and received the detailed reports
- had the External Auditors attend a meeting during which they walked the Committee through the Annual Report and Financial Statements
- monitored the progress of implementation of audit points
- reviewed in detail the risk register
- approved the Trust Central Charge
- reviewed and approved iterations of the Finance Manual
- reviewed the Anti-Fraud Policy
- reviewed School Resource Management Self-Assessment Tool outputs
- reviewed capital reporting and depreciation
- conducted a Going Concern review
- monitored the effectiveness of the Trust's chosen approach to central resource, processes and systems

Trustee attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Adriano Pacitti (Chair)	5	5
Tracey Hedges	5	5
William Kerry	4	5
Pamela Kilbey	5	5
Alan Sadler	5	5

Review of Value for Money

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

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

- Reviewing and changing the buying strategy for utilities to longer-term hedged baskets in advance of anticipated volatility in the energy markets
- Implementing outsourced cleaning provision in the Trust primary schools with a single supplier
- Implementing an agreement with a Managed Service Partner for enhanced IT Support
- Rationalising printer fleet by handing back devices at end of lease and redistributing devices retained beyond initial term

- Reviewing catering delivery across the Trust with a consultant partner and casting a new vision to move to a group-managed in-house provision in the next financial year
- Analysis of connectivity and pricing for internet provision carried out and new ISP partnership secured with cost savings invested in secondary failover connection
- Firewall and web filtering system and hardware upgrade to level up solution across Trust
- Cloud telephony installed at one school generating call package savings and strategy to implement wider
- Negotiating a renewed Trust-wide safeguarding reporting solution at an enhanced price
- Renewing HR and Payroll bureau contracts
- Implementing a Trust wide recruitment advertising package with group pricing
- Continuing the work with key partners to deliver the iPad 1:2:1 deployment that is sustainable and delivers transformational benefits to staff, pupils and students

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Peterborough Keys Academies Trust for the period 01 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy Trust's significant risks that has been in place for the period 01 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint Forrester Boyd as internal auditor, a different firm to the external auditors. This option has been chosen because better value for money is achieved from paying for a service from a firm of accountants than employing a part-time member of staff. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Governance review
- testing of compliance with Finance Manual in particular:
 - testing of purchasing systems
 - testing of income recording
 - testing of expenditure, including credit card usage, staff expenses and petty cash
 - testing of management accounts review

An IT firm was engaged to assess PKAT's vulnerability to phishing attacks and any other related Cyber Security issues. This has provided Trustees with assurance but also identified three actions that will help to strengthen the existing controls.

Each Finance, Audit and Risk Committee meeting receives a copy of new audit reports. The CFO provides a report detailing the number of points at each level of severity raised, in progress and completed as at that point in time. The report also contains the detail of points not completed, progress made in resolving the points and seeks Committee agreement that points are registered as completed. The Committee receives the internal auditor's Internal Scrutiny Annual Summary report prior to submission to the DfE.

There were no material control issues raised during the reporting year.

2022-23 is the final year of the five-year engagement so the Committee will review PKAT's needs and tender accordingly for the next five-year engagement.

Review of Effectiveness

As Accounting Officer, the Chief Executive Officer 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 specialist company to review cyber security
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the academy Trust who have responsibility for the development and maintenance of the internal control framework

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

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



C Higgins
Trustee



I Young
Accounting Officer

Statement on Regularity, Propriety and Compliance

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

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

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



I Young
Accounting Officer
13 December 2022

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

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

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

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

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



C Higgins
Trustee

Independent Auditor's Report to the Members of Peterborough Keys Academies Trust

For the year ended 31 August 2022

Opinion

We have audited the financial statements of Peterborough Keys Academies Trust (the 'parent academy') and its subsidiaries (the 'group') for the year ended 31 August 2021 which comprise the group Consolidated Statement of Financial Activities incorporating the Income and Expenditure Account, the group Consolidated Balance Sheet, the company Balance Sheet, the group Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent Auditor's Report to the Members of Peterborough Keys Academies Trust (continued)

For the year ended 31 August 2022

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

Other information

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

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent academy trust, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent academy trust accounts are not in agreement with the accounting records and returns; or

Independent Auditor's Report to the Members of Peterborough Keys Academies Trust (continued)

For the year ended 31 August 2022

- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the accounts

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Independent Auditor's Report to the Members of Peterborough Keys Academies Trust (continued)

For the year ended 31 August 2022

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, Charities Act 2011 (exempt Charity) and Charities SORP 2019, Academies Accounts Direction 2022, Academy Trust Handbook 2021 and UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.

We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.

We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

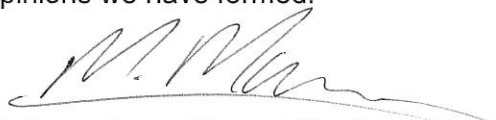
We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of noncompliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

Use of our report

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



Mohamedraza Mavani (Senior Statutory Auditor)

for and on behalf of



Chartered Accountants

Statutory Auditor

Rutland House, Minerva Business Park, Lynch Wood, Peterborough, PE2 6PZ

16 December 2022

Independent Reporting Accountant's Assurance Report on Regularity to Peterborough Keys Academies Trust and the Education & Skills Funding Agency

For the Year Ended 31 August 2022

In accordance with the terms of our engagement letter dated 28 May 2021 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peterborough Keys Academies Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Peterborough Keys Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Peterborough Keys Academies Trust's funding agreement with the Secretary of State for Education dated 28 March 2018 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

For the year ended 31 August 2022

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.

We have undertaken testing as appropriate in accordance with the Academies Accounts Direction 2021 to 2022. This includes an evaluation of the control environment of the school, enquiry, analytical review and substantive testing.

The work undertaken to draw to our conclusion includes:

- Reviewing minutes of meetings, management accounts and made enquiries of management;
- Performing sample testing of expenditure ensuring items are for the Academy trust's purposes and are appropriately authorised;
- Sample testing on credit card expenditure, review for any indication of purchase for personal use by staff, Head or Governors;
- Reviewing the procedures for identifying and declaring related parties and other business interests;
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries and made further enquiries into any such items where relevant;
- Taking a selection of nominal ledger accounts for evidence of unusual entries and made further enquiries into any such items where relevant;
- Performing an evaluation of the general control environment of the Academy Trust;
- Reviewing nominal ledger accounts for any large or unusual entries and obtaining supporting documentation.

Conclusion

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



Reporting Accountant

Moore
Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

Dated: 16 December 2022

Consolidated Statement of Financial Activities for the year ended 31 August 2022

(including Income and Expenditure Account)

					2021/22	2020/21
	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total £000	Total £000
Income and endowments from:						
Donations and capital grants	2	86	-	-	86	152
Charitable activities:						
Funding for the academy Trust's educational operations	3	152	21,950	506	22,608	21,966
Other trading activities	4	371	-	-	371	225
Total		609	21,950	506	23,065	22,343
Expenditure on:						
Raising funds	5	70	-	-	70	145
Charitable activities:						
Academy Trust educational activities	6	136	23,972	711	24,819	23,699
Other		166	-	-	166	187
Total		372	23,972	711	25,055	24,031
Net income/(expenditure)		237	(2,022)	(205)	(1,990)	(1,688)
Transfer between funds	15	-	-	-	-	-
Other recognised gains/(losses):						
Fixed Asset Valuation	11	-	-	-	-	-
Actuarial (losses)/gains on defined benefit pension schemes	24	-	14,373	-	14,373	(3,271)
Net movement in funds		237	12,351	(205)	12,383	(4,959)
Reconciliation of funds						
Total Funds brought forward		445	(16,195)	56,790	41,040	45,999
Total Funds carried forward		682	(3,844)	56,585	53,423	41,040

Consolidated Balance Sheet as at 31 August 2022

Company Number 11108321

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed Assets					
Tangible assets	11		55,830		55,741
Current Assets					
Stock	12	11		9	
Debtors	13	918		1,066	
Cash at bank and in hand		4,160		2,834	
		<u>5,089</u>		<u>3,909</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	(2,553)		(1,407)	
Net current assets			<u>2,536</u>		<u>2,502</u>
Total assets less current liabilities			<u>58,366</u>		<u>58,243</u>
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension scheme liability			<u>58,366</u>		<u>58,243</u>
Defined benefit pension scheme liability	24		(4,943)		(17,203)
Total net assets			<u>53,423</u>		<u>41,040</u>
Funds of the academy Trust:					
Restricted funds					
Fixed asset fund	15	56,585		56,790	
Restricted income fund	15	1,099		1,008	
Pension reserve	15	(4,943)		(17,203)	
Total Restricted funds			<u>52,741</u>		<u>40,595</u>
Unrestricted income funds	15		<u>682</u>		<u>445</u>
Total Funds			<u>53,423</u>		<u>41,040</u>

The financial statements on pages 39 to 65 were approved by the Trustees and authorised for issue on 13 December 2022 and are signed on their behalf by



C Higgins
Trustee

Academies Trust Balance Sheet as at 31 August 2022

Company Number 11108321

	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed Assets					
Tangible assets	11		55,830		55,741
Current Assets					
Stock	12	10		8	
Debtors	13	915		1,026	
Cash at bank and in hand		4,153		2,829	
		<u>5,078</u>		<u>3,863</u>	
Liabilities					
Creditors: Amounts falling due within one year	14	(2,542)		(1,361)	
Net current assets			<u>2,536</u>		<u>2,502</u>
Total assets less current liabilities			58,366		58,243
Creditors: Amounts falling due after more than one year			-		-
Net assets excluding pension scheme liability			<u>58,366</u>		<u>58,243</u>
Defined benefit pension scheme liability	24		(4,943)		(17,203)
Total net assets			<u>53,423</u>		<u>41,040</u>
Funds of the academy Trust:					
Restricted funds					
Fixed asset fund	15	56,585		56,790	
Restricted income fund	15	1,099		1,008	
Pension reserve	15	(4,943)		(17,203)	
Total Restricted funds			52,741		40,595
Unrestricted income funds	15		682		445
Total Funds			<u>53,423</u>		<u>41,040</u>

The financial statements on pages 39 to 65 were approved by the Trustees and authorised for issue on 13 December 2022 and are signed on their behalf by

clare higgins

C Higgins
Trustee

Consolidated Statement of Cash Flows for the year ended 31 August 2022

	Notes	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	1,620	21
Cash flows from investing activities	20	(294)	311
Change in cash and cash equivalents in the reporting period		1,326	332
Cash and cash equivalents at 1 September 2021		2,834	2,502
Cash and cash equivalents at 31 August 2022	21	4,160	2,834

Notes to the Financial Statements

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.

Accounting Period

The accounts have been prepared for the 12 month period from 1 September 2021 to 31 August 2022.

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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of PKAT and PKAT Trading. The results of PKAT Trading are consolidated on a line by line basis.

No separate SOFA has been presented for PKAT alone as permitted by section 408 of 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 trust 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.

The Trustees have considered the impact of emerging cost pressures as detailed in the Trustees report and the various actions being undertaken to help mitigate the impacts. COVID19, and the various measures taken to contain it, on the operations of the academy Trust. No immediate concerns in relation to the academy Trust's long term future have been identified other than in line with the majority of the rest of the Education sector and but this area continues to be monitored. The Trustees are satisfied that the steps they have taken in the short term are appropriate and effective.

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. There are no restrictions in the Funding Agreement as to carry forward values.

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

- **Sponsorship Income**

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

- **Donations**

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

- **Other Income**

Other income, including the hire of facilities, 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'.

- **Transfer on conversion**

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

- **Agency Arrangements – 16-19 bursary fund income**

The academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 26.

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.

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Redundancy and termination payments

Redundancy and termination costs are recognised as an expense in the accounts when the trust is demonstrably committed to either: terminating the employment of an employee or group of employees before normal retirement date; or providing termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Trust is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is legally obligated to the plan.

Basis of consolidation

The financial statements consolidate the accounts of Peterborough Keys Academies Trust and PKAT Trading, a company to which PKAT is entitled all of the surplus generated. PKAT has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure Account.

The income and expenditure account for the year dealt with in the accounts of PKAT was £18k loss (2021: £4k loss)

Tangible Fixed Assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land 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, as follows:

- | | |
|-------------------------------------|-----------------|
| • Land | nil |
| • Freehold buildings | 25 to 100 years |
| • Long leasehold buildings | 25 to 125 years |
| • Leasehold improvements | 10 to 15 years |
| • Furniture, Equipment and fixtures | 3 to 10 years |
| • Computer equipment | 3 to 5 years |

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.

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Stock

All categories of stock are valued at the lower of cost or net realisable value.

Taxation

The academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

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

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

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

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

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.

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

Critical areas of judgement

There have been no instances where critical judgements have been required during the period of account.

2 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	2021/22 Total £000	2020/21 Total £000
Other donations	86	-	86	152
	<u>86</u>	<u>-</u>	<u>86</u>	<u>152</u>
Total 2020/21	<u>152</u>	<u>-</u>	<u>152</u>	

3 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	2021/22 Total £000	2020/21 Total £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	18,061	18,061	18,161
Other DfE / ESFA grants				
UIFSM	-	209	209	205
Pupil Premium	-	1,153	1,153	1,066
Others	-	1,294	1,294	802
Capital grants	-	506	506	570
	<u>-</u>	<u>21,223</u>	<u>21,223</u>	<u>20,804</u>
Other Government Grants				
Local Authority grants	-	954	954	752
Other income from the academy Trust's educational operations	152	-	152	126
COVID-19 additional funding (DfE/ESFA)				
Coronavirus exceptional support	-	-	-	(78)
Catch-up premium	-	-	-	263
Additional costs for the period of restricted attendance	-	-	-	43
School Led Tutoring		78	78	-
16-19 Tuition Fund		5	5	-
Recovery Premium		156	156	-
National Tutoring Programme	-	15	15	9
COVID-19 additional funding (non- DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	2
Mass testing funding	-	25	25	45
	<u>152</u>	<u>22,456</u>	<u>22,608</u>	<u>21,966</u>
Total 2020/21	<u>128</u>	<u>21,838</u>	<u>21,966</u>	

The academy Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "COVID-19 additional funding". The costs are included in notes 5, 6 and 7 below as appropriate.

4 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	2021/22 Total £000	2020/21 Total £000
Hire of facilities	103	-	103	60
Income from ancillary trading activities	268	-	268	165
	371	-	371	225
Total 2020/21	225	-	225	

5 Expenditure

	Staff Costs £000	Non Pay Expenditure		2021/22 Total £000	2020/21 Total £000
		Premises £000	Other £000		
Expenditure on raising funds:					
Direct Costs	-	-	70	70	145
Academy's educational operations:					
Direct Costs	14,835	-	1,289	16,124	15,869
Allocated support costs	4,292	2,413	1,990	8,695	7,830
Other	21	-	145	166	187
	19,148	2,413	3,494	25,055	24,031
Total 2020/21	18,539	2,378	3,114	24,031	

Net income/(expenditure) for the period includes:

	2021/22 £000	2020/21 £000
Operating lease rentals	1,691	1,697
Depreciation	711	698
Net interest on defined pension liability	298	223
Fees payable to auditor for:		
Audit	10	10
Other services	7	7

Included within expenditure are the following transactions:

Books that will cost £1k (2021: £1k) to replace have either not been returned to the secondary school library or have been removed from the shelves, a further £1k (2021: £1k) of textbooks loaned to students who have now left the school were not returned. Library stock is not recorded as an asset because the second hand value of books is negligible.

Donations have been made only to the extent that specific fundraising activity was carried out to raise the £4k (2021: £3k) paid out. During the pandemic the DfE and Cambridgeshire County Council donated electronic devices worth £64k (2021: £142k), which PKAT in turn donated to students to support their remote learning.

6 Charitable activities

	2021/22 Total £000	2020/21 Total £000
Direct costs – educational operations	16,124	15,869
Support Costs – educational operations	8,695	7,830
	24,819	23,699

	Educational Operations	2021/22 Total	2020/21 Total
	£000	£000	£000
Support staff costs	4,292	4,292	3,605
Depreciation	711	711	698
Technology costs	247	247	298
Premises costs	2,413	2,413	2,378
Legal costs	7	7	11
Other support costs	1,016	1,016	829
Governance costs	9	9	11
Total Support Costs	8,695	8,695	7,830
Total 2020/21	7,830	7,830	

7 Staff

a. Staff costs

Staff cost during the period were:

	2021/22 £000	2020/21 £000
Wages and salaries	12,594	12,902
Social security costs	1,197	1,183
Pension costs	4,643	4,100
	18,434	18,185
Agency staff costs	450	205
	18,884	18,390
Staff restructuring costs comprise:		
Redundancy payments	7	-
	7	-

b. Severance payments

The academy Trust paid one severance payment in the year, disclosed in the following bands:

0 - £25,000 1

There were no special severance payments in 2021/22 (2021: nil).

c. Staff numbers

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

	2021/22 No.	2020/21 No.
Teachers	183	190
Administration and support	272	306
Management	31	33

d. Higher paid staff

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

	2021/22 No.	2020/21 No.
£60,001 - £70,000	6	6
£70,001 - £80,000	6	6
£80,001 - £90,000	4	3
£90,001 - £100,000	1	1
£120,001 - £130,000	1	1

e. Key management personnel

The key management personnel of the academy Trust comprise the Trustees and the senior leadership team as listed on page 3. 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 £1,107k (2021: £984k).

8 Central Services

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

- Insurance provision
- Payroll and personnel contract
- Health and Safety contract
- School Improvement
- Audit and accountancy
- Finance systems and invoice processing
- Servicing Trustees and the PKAT executive appointments

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

- After discussion and agreement by the Leadership Group, which includes the Headteachers of all schools, and approval by Trustees of the expenditure that was to be included, 5.25% (2020: 5% of I01) of I01 and I02 funding has been charged.

The actual amounts charged during the year were as follows:

	2021/22 £000	2020/21 £000
Jack Hunt School	547	540
Longthorpe Primary School	95	95
Middleton Primary School	101	115
Ravensthorpe Primary School	98	93
Thorpe Primary School	121	123

9 Related Party Transactions – Trustees’ remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from employment with the academy Trust. The Chief Executive Officer only receives remuneration in respect of services they have provided undertaking the role of Chief Executive Officer and Headteacher of Jack Hunt School under her contract of employment.

The value of Trustees’ remuneration and other benefits was as follows:

P Kilbey (Chief Executive Officer, Headteacher of Jack Hunt School and ex-officio Trustee)
Remuneration £120,000 - £130,000 (2021: £120,000 - £130,000)
Employer’s pension contributions paid £25,000 - £30,000 (2021: £25,000 - £30,000)

During the period ended 31 August 2022, no travel and subsistence expenses were reimbursed to any Trustees (2021: nil)

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5m on any one claim and the cost for the year ended 31 August 2022 was included within an overall quote for all insurance requirements, it is believed to continue be in line with the £4.1k charged in 2019/20.

Peterborough Keys Academies Trust

11 Tangible fixed assets (Group and Trust)

	Freehold Land & Buildings £000	Leasehold Land & Buildings £000	Leasehold Improvements	Furniture, Equipment & Fixtures	Computer Equipment £000	Assets Under Construction £000	Total £000
Cost							
At 01 September 2020	35,200	21,833	136	495	125	105	57,894
Acquisitions	18	-	15	30	1	736	800
Transferred	-	-	67	31	7	(105)	-
At 31 August 2022	35,218	21,833	218	556	133	736	58,694
Depreciation							
At 01 September 2020	1,397	602	22	95	37	-	2,153
Charged in year	434	176	18	56	27	-	711
At 31 August 2022	1,831	778	40	151	64	-	2,864
Net book Values							
At 31 August 2021	33,803	21,231	114	400	88	105	55,741
At 31 August 2022	33,387	21,055	178	405	69	736	55,830

The academy Trust's transactions relating to land and buildings included:

- Land and buildings were valued by Barker Storey Matthews, now known as Eddisons, as at 01 April 2018 in October 2018. The trustees do not consider there to be any material change in this valuation at the year end.
- £18k of alterations to freehold property have been made.
- In addition to the £15k of leasehold improvements at two PKAT properties made during the summer of 2021 and bought into use for September 2021, £67k of leasehold improvements have been made to three PKAT properties during 2021/22.
- A further £652k has been spent on improvements to four PKAT leasehold properties during the summer of 2022 and brought into use on 01 September 2022. The largest of these was £617k on a new roof. These assets are included within Assets under Constriction.

12 Stock

	Group		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Learning resources order for new academic year	6	5	5	4
Books and stationery for resale	5	4	5	4
	11	9	10	8

13 Debtors

	Group		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade debtors	32	32	16	-
Amounts owed by group undertakings	-	-	9	19
VAT recoverable	454	261	454	261
Other debtors	15	1	15	1
Prepayments and accrued income	417	772	421	745
	918	1,066	915	1,026

14 Creditors: amounts falling due within one year

	Group		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Trade creditors	275	2	265	-
Amounts owed to group undertakings	-	-	11	5
Other taxation and social security	294	298	289	289
Other creditors	309	325	306	325
Accruals and deferred income	1,675	782	1,671	742
	2,553	1,407	2,542	1,361

	Group		Trust	
	2022	2021	2022	2021
	£000	£000	£000	£000
Deferred income at 1 September	73	73	61	61
Released from previous year	(73)	(73)	(61)	(61)
Resources deferred in the year	116	73	110	59
Deferred income at 31 August	116	73	110	59

At the balance sheet date, the academy Trust was holding £109k (2021: nil) in respect of unspent School Led Tutoring and Sports Premium, MDIF and 16-19 Tuition funding, £1k (2021: nil) in respect of a curriculum trip departing after 31 August 2022, nil (2021: £31k) in respect of Forest School funding, nil (2021: £16k) of rates funding, nil (2021: £12k) of Primary sports services income, and the group was holding a further £6k (2021: £14k) in respect of trips departing after 31 August 2022.

No loans were taken or outstanding as at the balance sheet date.

15 Funds

	Balance at 31 August 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted General Funds					
General Annual Grant (GAG)	(447)	18,061	(18,030)	-	(416)
Other DfE/ESFA grants	(14)	1,573	(1,563)	-	(4)
Local Authority	(17)	954	(948)	-	(11)
Transfer on conversion	1,313	-	-	-	1,313
Pupil Premium	173	1,153	(1,109)	-	217
UIFSM	-	209	(209)	-	-
Pension reserve	(17,203)	-	(2,113)	14,373	(4,943)
	(16,195)	21,950	(23,972)	14,373	(3,844)
Restricted Fixed Asset Funds					
Transfer on conversion	54,951	-	(550)	(1,878)	52,523
DfE Group capital grants	1,839	506	(161)	1,878	4,062
	56,790	506	(711)	-	56,585
Total restricted funds	40,595	22,456	(24,683)	14,373	52,741
Total unrestricted funds	445	609	(372)	-	682
Total Funds	41,040	23,065	(25,055)	14,373	53,423

The specific purposes for which the funds are to be applied is to provide an education for the students of the schools. The academy Trust is not subject to GAG carried forward limits.

Fund balances were allocated as follows:

	2022 £000	2021 £000
Jack Hunt School	682	612
Longthorpe Primary School	236	182
Middleton Primary School	113	3
Ravensthorpe Primary School	290	118
Thorpe Primary School	138	81
Central Services	322	457
Total before fixed assets and pension reserve	1,781	1,453
Restricted fixed asset fund	56,585	56,790
Pension Reserve	(4,943)	(17,203)
	53,423	41,040

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

	Balance at 31 August 2020 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2021 £000
Restricted General Funds					
General Annual Grant (GAG)	(146)	18,161	(18,462)	-	(447)
Other ESFA grants	4	1,084	(1,102)	-	(14)
Local Authority	(5)	752	(764)	-	(17)
Transfer on conversion	1,313	-	-	-	1,313
Pupil Premium	75	1,066	(968)	-	173
UIFSM	-	205	(205)	-	-
Pension reserve	(12,509)	-	(1,423)	(3,271)	(17,203)
	(11,268)	21,268	(22,924)	(3,271)	(16,195)
Restricted Fixed Asset Funds					
Transfer on conversion	54,951	-	-	-	54,951
DfE Group capital grants	1,967	570	(698)	-	1,839
	56,918	570	(698)	-	56,790
Total restricted funds	45,650	21,838	(23,622)	(3,271)	40,595
Total unrestricted funds	349	505	(409)	-	445
Total Funds	45,999	22,343	(24,031)	(3,271)	41,040

Total cost analysis by academy:

	Teaching and Educational Support Staff	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	2021/22 Total
	£000	£000	£000	£000	£000
Jack Hunt School	8,250	1,174	779	2,453	12,656
Longthorpe Primary School	1,442	229	118	245	2,034
Middleton Primary School	1,682	285	91	305	2,363
Ravensthorpe Primary School	1,503	283	129	245	2,160
Thorpe Primary School	1,945	474	157	252	2,828
Central Services	22	53	78	37	190
	14,844	2,498	1,352	3,537	22,231

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

Total cost analysis by academy:

	Teaching and Educational Support Staff	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	2020/21 Total
	£000	£000	£000	£000	£000
Jack Hunt School	8,143	1,063	597	2,476	12,279
Longthorpe Primary School	1,436	223	90	215	1,964
Middleton Primary School	1,887	378	111	307	2,683
Ravensthorpe Primary School	1,596	256	135	242	2,229
Thorpe Primary School	1,919	445	155	238	2,757
Central Services	(67)	63	12	(10)	(2)
	14,914	2,428	1,100	3,468	21,910

16 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	-	-	55,830	55,830
Current Assets	701	3,611	777	5,089
Current Liabilities	(19)	(2,512)	(22)	(2,553)
Pension scheme liability	-	(4,943)	-	(4,943)
	682	(3,844)	56,585	53,423

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£000	£000	£000	£000
Tangible Fixed Assets	-	-	55,741	55,741
Current Assets	531	2,307	1,071	3,909
Current Liabilities	(86)	(1,299)	(22)	(1,407)
Pension scheme liability	-	(17,203)	-	(17,203)
	445	(16,195)	56,790	41,040

17 Capital commitments

As at 31 August 2022 there were £415k (2021: £50k) capital commitments.

18 Commitments under operating leases

Operating leases

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

	2022 £000	2021 £000
Amounts due within one year	1,673	1,575
Amounts due between one and five years	6,590	6,186
Amounts due after five years	15,755	16,305
	24,018	24,066

The academy trust occupies premises which are subject to a private finance initiative (PFI) contract. The trust itself is not party to this service concession contract, however the academy trust has entered into a supporting agreement towards the costs of the local authority. The above relates to commitments to operating payments including costs for catering, cleaning, utilities, and other ancillary services.

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Group 2021/22 £000	2020/21 £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,990)	(1,688)
Adjusted for:		
Depreciation (note 11)	711	698
Capital grants from DfE and other capital grants	(506)	(570)
Interest receivable	-	-
Defined benefit pension scheme cost less contributions payable (note 24)	1,815	1,200
Defined benefit pension scheme finance costs (note 24)	298	223
(Increase)/Decrease in stocks	(2)	8
(Increase)/Decrease in debtors	148	(215)
Increase/(Decrease) in creditors	1,146	365
Net cash provided by/(used in) operating activities	1,620	21

20 Cash flows from investing activities

	Group	
	2021/22	2020/21
	£000	£000
Purchase of tangible fixed assets	(800)	(259)
Capital grants from DfE Group	506	570
Net cash provided by/(used in) investing activities	(294)	311

21 Analysis of cash and cash equivalents

	Group	
	2021/22	2020/21
	£000	£000
Cash in hand and at bank	4,160	2,834
Total cash and cash equivalents	4,160	2,834

22 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash	2,834	1,326	4,160
Total	2,834	1,326	4,160

23 Members liability

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

24 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 Cambridgeshire Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

Contributions amounting to £315k were payable to the schemes at 31 August 2022 (2021: nil) 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 the member and employer makes contributions, as a percentage of salary - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 05 March 2019.

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 01 April 2024.

The employer's pension costs paid to TPS in the period amounted to £1.873m (2021: £1.898m).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,216k (2021: £1,276k), of which employer's contributions totalled £955k (2021: £1,002k) and employees' contributions totalled £261k (2021: £274k). The agreed contribution rates for future years are 21.9 per cent for employers and between 5.5 per cent and 12.5 per cent for employees, depending on their earnings.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Principal actuarial assumptions	2022	2021
Rate of increase in salaries	3.55%	3.40%
Rate of increase for pensions in payment/inflation	3.05%	2.90%
Discount rate for scheme liabilities	4.25%	1.65%
Inflation assumption (CPI)	3.05%	2.90%
Commutation of pensions to lump sums pre-April 2008	25.00%	25.00%
Commutation of pensions to lump sums post-April 2008	64.00%	64.00%

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

	2022	2021
<i>Retiring Today</i>		
Males	22.0	22.2
Females	24.2	24.4

<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	26.0	26.2

Sensitivity analysis	2022	2021
	£000	£000
Discount rate -0.1%	425	712
Member life expectancy +1 year	671	1,121
Salary increase rate +0.1%	44	72
Pension increase rate (CPI) +0.1%	385	629

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

	2022	2021
	£000	£000
Equities	8,280	7,257
Bonds	1,538	1,841
Property	1,892	1,516
Cash	118	217
Total market value of assets	11,828	10,831

The actual return on scheme assets was £-292k (2021: £1,557k).

Amount recognised in the Statement of Financial Activities

	2021/22	2020/21
	£000	£000
Current Service Cost	(2,792)	(2,204)
Past Service Cost	-	-
Interest income	188	145
Interest cost	(486)	(368)
Total amount recognised in the SOFA	(3,090)	(2,427)

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

	2021/22	2020/21
	£000	£000
At 1 September	28,034	20,482
Current service cost	2,792	2,204
Past service cost	-	-
Interest cost	486	368
Employee contributions	266	274
Actuarial (gain)/loss	(14,665)	4,828
Benefits Paid	(142)	(122)
At 31 August	16,771	28,034

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

	2021/22 £000	2020/21 £000
At 1 September	10,831	7,973
Interest income	188	145
Employer contributions	977	1,004
Employee contributions	266	274
Benefits Paid	(142)	(122)
Actuarial gain/(loss)	(292)	1,557
At 31 August	11,828	10,831

25 Related party transactions

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

Expenditure Related Party Transaction

PKAT Trading – A company that has the same Members and Trustees as PKAT (incorporated 04 September 2018)

- Reimbursed to PKAT for £22,449 (2021: £26,317) of staffing costs, nil (2021: £25) of learning resources and nil (2021: £103) of admin costs.
- nil (2021: £2,835) of IT equipment and services and £28,991 (2021: £45,396) of catering provisions have been provided to PKAT.
- £3,046 (2021: £916) from Pupil Premium and Sixth Form Bursary monies has been used to support eligible students with activities run through PKAT Trading.
- The element above £2,500 has been provided 'at no more than cost' because PKAT Trading aims not to make a surplus from running school trips and activities.
- As at 31 August 2022 PKAT is owed £9,465 (2021: £15,718) by PKAT Trading including nil (2021: £13,747) profit for the previous years.
- As at 31 August 2022 PKAT owes PKAT Trading £10,983 (2021: £4,612), including the accumulated loss of £1,231 (2021: nil).

Anglian Water – A company which employees Matthew Edwards (Member)

- nil water and sewerage charges have been incurred during 2021/22 (2021: £13,343)
- £43,550 was accrued as at 31 August 2022 (2021: £46,287)
- nil was treated as a prepayment as at 31 August 2022 (2021: nil)
- Anglian Water is the local supplier of water and sewerage services so PKAT, until recently, has no alternative but to use their services. The opportunity to compete these services was opened up by the ESFA and PKAT engaged in the exercise and switched to Smarta Water Ltd from 01/04/2021. The Member was not involved in setting up the supplies from Anglian Water. If Anglian Water is making a profit from the supply it is the same for all business customers.

Greenwoods GRM LLP – a firm of solicitors where Will Kerry's (Trustee) spouse is employed

- £7,042 legal fees were incurred during 2021/22 (2021: £7,142)
- nil was recorded as a prepayment as at 31 August (2021: £306)
- No balance was owed by PKAT as at 31 August 2022 (2021: nil)

Thomas Deacon Education Trust – an academy Trust where Lisa Lloyd (Trustee) is employed

- £848 charges for student travel were incurred (2021: £1,593)
- No balance was outstanding as at 31 August 2022 (2021: nil)

Hampton Academies Trust– an academy where Alan Sadler (Trustee) is a Member

- Nil was received in respect of trainee teachers during 2021/22 (2021: £1,400 was received for staff release).
- £584 was paid for education purposes during 2021/22 (2021: nil)
- No balance was outstanding as at 31 August 2022 (2021: nil)

Income Related Party Transaction

Jack Hunt Community Learning Trust (JHCLT) – A company that has two directors being Pamela Kilbey (CEO) and Alan Sadler (Trustee) and is currently being wound up.

- £13 has been reimbursed to PKAT to cover admin costs (2021: £13)
- As at 31 August 2022 PKAT holds no balance belonging to JHCLT because JHCLT has too few transactions to stand alone so PKAT processes them on its behalf (2021: £36)

Cross Keys Property – a company for which Claire Higgins (Trustee) is a Director

- £15,000 was received in respect of supporting after school provision during 2021/22 (2021: nil was received for staff release).
- No balance was outstanding as at 31 August 2022 (2021: nil)

No amounts have been written off in respect of related parties during the year to 31 August 2022 (2021: nil) and no guarantees have been given or received.

All formal PKAT meetings require declaration of interests at the start of the meeting, therefore any participants with a related party are excluded from the decision making. If a purchase is to be made, anyone with a related party is excluded from the process. Reference is made to both the Members and Trustees declarations and any staff who are involved in purchasing decisions and processes.

26 Agency Arrangements

The academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy Trust received £31k and disbursed £71k from the fund. Comparatives for the accounting period ending 31 August 2022 are £24k received and £81k disbursed. In both years there was no balance held at 31 August.

27 Consolidated company

Company Name	PKAT Trading
Company registration number	11552820
Basis of control	All surplus and deficits belong to PKAT
Total assets as at 31 August 2022	£ 29,630
Total Liabilities as at 31 August 2022	£(29,630)
Turnover for the year ended 31 August 2022	£ 170,012
Expenditure for the year ended 31 August 2022	£(187,653)
Deficit for the year ended 31 August 2022	£ (17,641)