



Company registration number 11552820 (England and Wales)

PKAT TRADING
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

PKAT TRADING

COMPANY INFORMATION

Members

Richard Astle
Roy Duncan
Matthew Edwards
Claire Higgins
Penelope Walkinshaw

Directors

William Kerry
Colin Hammond
Claire Higgins
Adriano Pacitti
Stela Plamenova Kouumdjieff (Appointed 20 June 2023)
Dr Tom Williamson (Appointed 20 June 2023)
Lindsay Batchford (Appointed 1 September 2023)

Senior management

Chief Executive Officer & Accounting Officer Ian Young
Chief Finance & Operating Officer Howard Nelson (Appointed 1 March 2023)
Chief Finance Officer Deborah Keith (Resigned 28 February 2023)

Company number

11552820

Registered office

Peterborough Keys Academies Trust
Ledbury Road
Peterborough
PE3 9PN

Auditor

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

Bankers

Lloyds Bank plc
Fenlands House
Manor Grove Centre
Vicarage Farm Road
Peterborough
PE1 5UH

Solicitors

Greenwoods GRM LLP
Monkstone House
City Road
Peterborough
PE1 1JY

PKAT TRADING

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PKAT TRADING

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The directors present their annual report and financial statements for the year ended 31 August 2023.

Principal activities

The principal activity of the company is to provide continued support and trading activities for the parent entity in the Education sector.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

William Kerry	
Colin Hammond	
Claire Higgins	
Alan Sadler	(Resigned 17 July 2023)
Adriano Pacitti	
Tracey Hedges	(Resigned 5 January 2023)
Stela Plamenova Kouumdjieff	(Appointed 20 June 2023)
Dr Tom Williamson	(Appointed 20 June 2023)
Lindsay Batchford	(Appointed 1 September 2023)

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 company and of the surplus or deficit of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

PKAT TRADING

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

.....

Claire Higgins

Director

Date:

PKAT TRADING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PKAT TRADING

Opinion

We have audited the financial statements of PKAT Trading (the 'company') for the year ended 31 August 2023 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 August 2023 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

PKAT TRADING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PKAT TRADING

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company'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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

PKAT TRADING

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF PKAT TRADING

Our approach

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.

We obtained an understanding of how the 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 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 company and the 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 Moore

Date:



Chartered Accountants
Statutory Auditor

Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

PKAT TRADING

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Income	110,810	170,012
Cost of sales	(107,065)	(177,448)
	<hr/>	<hr/>
Gross surplus/(deficit)	3,745	(7,436)
Administrative expenses	(12,231)	(10,205)
	<hr/>	<hr/>
Deficit before taxation	(8,486)	(17,641)
Tax on deficit	-	-
	<hr/>	<hr/>
Deficit for the financial year	(8,486)	(17,641)
Retained earnings brought forward	-	-
Distributions to parent charity	8,486	17,641
	<hr/>	<hr/>
Retained earnings carried forward	-	-
	<hr/> <hr/>	<hr/> <hr/>

PKAT TRADING

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Stocks		284		284	
Debtors	4	48,531		22,677	
Cash at bank and in hand		21,894		6,669	
		<u>70,709</u>		<u>29,630</u>	
Creditors: amounts falling due within one year	5	<u>(70,709)</u>		<u>(29,630)</u>	
Net current assets			-		-
			<u>=====</u>		<u>=====</u>
Reserves	6		-		-
			<u>=====</u>		<u>=====</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on and are signed on its behalf by:

.....
Claire Higgins
Director

Company registration number 11552820 (England and Wales)

PKAT TRADING

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Company information

PKAT Trading is a private company limited by guarantee incorporated in England and Wales. The registered office is Peterborough Keys Academies Trust, Ledbury Road, Peterborough, PE3 9PN.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Whilst the impact of coronavirus has dissipated to some degree, the legacy of its effect combined with wider economic factors continues to be felt throughout most sectors of the economy. Other matters such as supply chain issues and rising prices, particularly fuel and energy, are impacting across all businesses. Going concern is therefore an important area that the directors are keeping under close scrutiny. No immediate concerns in relation to the company's long term future have been identified, but this area continues to be monitored. The directors are satisfied that the steps they have taken in the short term are appropriate and effective. Although Peterborough Keys Academies Trust, the company to whom surpluses are gifted and who covers any deficits, is impacted with rising costs the functions in PKAT Trading are sold services and trip charges, which would not go ahead if customers or parents are not prepared to pay the cost of the services or trips. No immediate concerns in relation to the Company's long term future have been identified but this area continues to be monitored. The Directors are satisfied that the steps they have taken in the short term are appropriate and effective.

PKAT TRADING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to PKAT Trading and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or relievably, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- PKAT Trading has transferred the significant risks and rewards of ownership to the buyer;
- PKAT Trading retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that PKAT Trading will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that PKAT Trading will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- the costs incurred and the costs to complete the contract can be measured reliably.

1.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are convertible to known amounts of cash with insignificant risk of change in value.

PKAT TRADING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.6 Financial instruments

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that PKAT Trading would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liability simultaneously.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.7 Taxation

The company is exempt from corporation tax, it being a company not carrying on a business for the purposes of making a profit.

1.8 Debtors

Short term debtors are measured at transaction price, less any impairment.

1.9 Creditors

Short term creditors are measured at the transaction price.

PKAT TRADING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Directors	6	7
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	-	9,823
	<u> </u>	<u> </u>

4 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	27,678	10,120
Amounts owed by group undertakings	8,511	10,983
Other debtors	12,342	1,574
	<u> </u>	<u> </u>
	48,531	22,677
	<u> </u>	<u> </u>

5 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	348	4,927
Amounts owed to group undertakings	-	9,465
Taxation and social security	8,133	4,752
Other creditors	62,228	10,486
	<u> </u>	<u> </u>
	70,709	29,630
	<u> </u>	<u> </u>

PKAT TRADING

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

6 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £1.

7 Parent company

PKAT Trading's Articles of Association require all profits to be remitted to Peterborough Keys Academies Trust. As a result, PKAT Trading is consolidated with Peterborough Keys Academies Trust results and reported as a Group. The consolidated financial statements can be obtained from www.pkat.co.uk.

PKAT TRADING

DETAILED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022
	£	£	£	£
Income				
Sales of goods		110,810		170,012
Cost of sales				
<i>Purchases and other direct costs</i>				
Wages and salaries	-		9,823	
Catering	308		43,554	
Computer running costs	50,212		37,232	
Travelling expenses	772		614	
Public & Other Liability Insurance	-		620	
School Trips	29,633		61,031	
Sundry expenses	-		678	
Other Education	26,140		23,896	
Total purchases and other direct costs	107,065		177,448	
Total cost of sales		(107,065)		(177,448)
Gross surplus/(deficit)	3.38%	3,745	4.37%	(7,436)
Administrative expenses		(12,231)		(10,205)
Operating deficit		<u>(8,486)</u>		<u>(17,641)</u>

PKAT TRADING

SCHEDULES TO THE INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2023

	2023	2022
	£	£
Administrative expenses		
Audit fees	4,450	-
Printing and stationery	21	-
Sundry expenses	7,760	10,205
	<hr/>	<hr/>
	12,231	10,205
	<hr/> <hr/>	<hr/> <hr/>
