

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

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THE PARK ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	David Davison Antonia Gillespie Philip Harland Mark Edwards (ex-officio Member) (resigned 12 December 2022) Louise Bouteiller
Trustees	Mark Edwards, Resigned as Chair of Trustees 12 December 2022 Matthew Dixon, Appointed Chair of Trustees 12 December 2022 Catherine Dampney, Co-Vice Chair of Trustees Anthony Purser, Appointed Co-Vice Chair of Trustees 12 December 2022 Caroline Henham, Trustee Cordou Van Oppen, Trustee (resigned 24 January 2023) Justin Robbins, Trustee (appointed 24 April 2023) Kim Wilson, Trustee (appointed 24 April 2023) Michael Taylor, Trustee (appointed 3 July 2023) Rebecca Fish, Trustee Wayne Orr, Trustee (appointed 24 April 2023) Nicholas Capstick, Trustee (appointed 3 July 2023)
Company registered number	07694023
Company name	The Park Academies Trust
Principal and registered office	Abbey Park School Redhouse Way Swindon SN25 2ND
Company secretary	Joanne Brown
Accounting Officer	Benedick Ashmore-Short
Senior leadership team	Benedick Ashmore-Short, Chief Executive Officer James Nicholson, Deputy CEO and Director of Finance & Operations David Williams, Director of Inclusion Rachel Surch, Director of Primary Tracey Dyer, Head of Governance and Policy

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Independent auditors Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers National Westminster
84 Commercial Road
Swindon
Wiltshire
SN1 5NW

Solicitors Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

The Trust operates six schools, three primary and three secondary including nursery and sixth form across Swindon. Its academies have a combined pupil capacity of 4,696 and had a roll of 4,185 in the school census on 5 October 2023.

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 are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Park Academies Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details on page 2

Members' liability

Each member 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

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of Trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of Trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000

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 £5,000,000 on any one claim.

Method of recruitment and appointment or election of Trustees

The Board of Trustees comprises of no less than three Trustees and is not subject to any maximum.

The academy Trust shall have the following Trustees as set out in its articles of association.

- up to 10 Trustees who are appointed by members;
- the CEO, if he/she agrees to serve as a Trustee; and
- a minimum of 2 parent Trustees elected or appointed in the event that no local advisory boards are established

Trustees are appointed for a four-year period. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the board will give consideration to the skills, experience and diversity mix of existing Trustees in order to ensure that the board has the necessary skills and diversity to contribute fully to the Trust's development and reflect the communities it serves.

When appointing Trustees, candidates have information interviews with the CEO and Deputy CEO and DFO prior to a formal interview with a panel of Trustees. The panel of Trustees receives feedback from informal interviews and then makes a recommendation to the board of Trustees.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Policies and procedures adopted for the induction and training of Trustees

The Trust has a Trustee recruitment, induction and training procedure available from the clerk to the Trustees. The training and induction provided for new Trustees will depend upon their existing experience but would always include a suitable induction and meeting with key staff. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role. Advantage is taken of specific courses offered by the National Governance Association and internal training from Trust leaders.

Organisational structure

Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and executive appointments.

The Trustees have devolved responsibility for day-to-day management of the Trust to the CEO and executive team alongside the school leadership teams.

The CEO is the Accounting Officer and has personal responsibility to Parliament and to the ESFA's accounting officer to ensure that the Trust's resources are used effectively

The Board constitutes the following committees:

- Finance, Risk and Audit — board members with responsibility for finance, oversight of risk and managing compliance and audit including instructing and receiving internal scrutiny;
- Education Performance and Standards — board members with responsibility for curriculum, educational outcomes and performance including working with Local Advisory Boards;
- Admissions — The Admissions committee is made up of Local Advisory Board representatives and the CEO or his representative to manage admissions across the Trust; and
- Pay & Performance Committee- This committee is responsible for the performance review of key management personnel.

Arrangements for setting pay and remuneration of key management personnel

Performance management is the key determining factor used by Trustees to set the pay of key management personnel.

Trustees consider the key management personnel to be the Chief Executive Officer and the Deputy CEO and Director of Finance and Operations. Performance management for the Chief Executive Officer is determined by the Chair, Vice-Chair and one other Trustee (The Pay and Performance Committee)

The Finance, Risk and Audit Committee reviews pay and salary recommendations as part of budget submissions. Pay and salary is reviewed annually for all staff with direct reference to national benchmarks and agreements.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an Academy Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering the period starting from 1 April each year and as follows:

During the year there were 5 employees (FTE of 4.2) who were relevant union officials.

Related parties and other connected charities and organisations

Owing to the nature of the academy trust's operations 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 would be conducted in accordance with the requirements of the Academy Trust Handbook.

There have been no related party transactions during the financial year.

Engagement with employees (including disabled persons)

The Trust has engaged meaningfully with employees by empowering and supporting the principals to cascade information and provide feedback from employees.

The Trust engages with its employees through many means and methods, including:

- Consulting with employees on key matters, including engaging relevant unions;
- Having staff representatives on local advisory boards;
- Regular updates to all staff via INSET and school meetings;
- Presentations from the CEO; and
- Letters from the Board.

Objectives and activities

Objects and aims

The Trust intends to be one of the leading multi-academy Trusts for all through education in the South West.

To achieve this the schools:

- o Provide a broad and balanced curriculum that allows pupils to develop their talents and ambitions;
- o Deliver the highest quality learning opportunities facilitated by excellent teachers; and
- o Inspire our pupils to become confident motivated and respectful individuals ready to make a positive contribution to society.

The Trust supports its schools by:

- o Having a shared ethos within which the unique identity and character of each school can flourish;
- o Maximising the resource is an expertise available to individual schools;
- o Providing a platform for the sharing of excellent practice; and
- o Challenging and developing staff to turn their potential into performance

Objectives, strategies and activities

The Trustees have agreed four key strategic strands for the Trust for the 2021-2026 strategy:

- o Driving strategic growth;
- o Educational excellence;
- o Effective quality and assurance; and
- o Cultivating a family and unifying our culture.

Strategic growth will see the Trust grow in a managed, sustainable fashion within its capacity and capability. It will facilitate clear career pathways and succession planning within an all through model. Growth will be managed within robust financial frameworks.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Educational excellence will culminate with each school as Ofsted 'good' or on an upward trajectory of improvement with secondary schools achieving P8 of at least plus 0.5 and primary schools averaging a combined reading, writing and mathematics scores of plus 85% and 40% for working at greater depth. Every school will ensure equality of educational outcomes and experience regardless of background or need.

Effective quality and assurance will enable the Trust to operate within a strengthened governance model supported by robust quality assurance mechanisms alongside improved efficiency effectiveness and understanding of the Trust operating model.

Cultivating a family and unifying our culture is underpinned by a clear organisational language and consistent messaging around one Trust/ one family of schools underpinned by an investment in a high-quality professional development offering equality, opportunity and a commitment to a diverse and inclusive environment.

Each school has developed a delivery plan to meet the strategic objectives which is monitored regularly and clearly communicated and updated as required. Individual annual delivery plans have now incorporated the requirements of the DfE's document 'Commissioning High Quality Trusts' released in July 2023.

Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

The Trustees consider that the Trust's aims and objectives are demonstrably to the public benefit. The Trust provides education and recreational facilities for the benefit of the community situated around each school. In addition, community-based projects and fundraising are undertaken during the year by both students and staff.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Across the Trust, academic results for 2022/23 were positive in all phases. Both secondary schools achieved attainment results in line or slightly above the pre-pandemic position of 2019. The three primary schools showed a significant improvement with Red Oaks and Bridlewood (RWM Combined) above the National results for 2023. Orchid Vale and Abbey Park have also undergone Ofsted inspections which concluded they were now 'good' schools after previously being rated as in 'special measures'.

Staff across the Trust have risen to the challenges and delivered an strong level of support for our pupils. Robust pastoral and safeguarding support to our pupils remains a key focus.

Our ITT partnership (STTP) continues to grow from strength to strength and is working extremely well alongside our professional tutoring team in supporting the recruitment of high quality teachers.

The Board, LAB members, the CEO and the leadership teams implement strategy that was developed in 2021 continuing to be underpinned by the vision and values.

The schools have undergone significant development around collaboration and standardisation of assessment and pedagogy culminating in the development of the TPAT Portal.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

Trustees have determined that they will review performance against the government benchmarks and have completed the associated financial reporting and monitoring at Finance, Risk and Audit Committee level. The executive has been tasked with working towards the KPIs set out below.

KPI	Target
1 .	Spending on teaching as a percent of total expenditure 79.20%
2	In-year balance as a percentage of total income 2%
3	Teacher contact ratio 0.72
4	Progress 8 score (secondary only) LPA- (-0.12) APS- (-0.06) both unvalidated

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Decisions concerning the use of Trust resources are underpinned by the vision and values.

The majority of the Trust's income is obtained from the DfE in the form of recurrent grants the use of which is restricted to particular purposes. The grant received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year ended 31 August 2023 the Trust received total income of £23,436,893 (2022: £20,381,035) and incurred total expenditure of £22,662,811 (2022: £21,032,714) (excluding the restricted fixed asset fund). The excess of income over expenditure for the year was £774,082 (2022: £201,679). During the year £314,606 was transferred from the revenue fund to fund capital spend.

At 31 August 2023 the net book value of fixed assets was £15,922,000 (2022: £11,365,000) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Abbey Park, Red Oaks Primary School and Orchid Vale Primary School form part of the North Swindon schools PFI and the Trust receives income specific to the PFI. The Trustees have determined that the PFI nature of the schools means that they have no asset value at transfer.

The Trust has taken on the deficit in the local government pension scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the statement of financial activity with details in note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the finance policy which sets out the framework for financial management including financial responsibilities of the board, principals, managers, budget holders and other staff as well as delegated authority for spending.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policy

The following principles underpin the Trust's approach to reserves management:

- o The Trust, and schools, should set balanced in-year revenue budgets every year;
- o The Trust's reserves balance should only decrease due to capital investment and/or other organisational needs which shall at all times be approved by the Finance, Risk and Audit Committee;
- o All reserves are Trust reserves;
- o The Trust's general reserves balance may be comprised of restricted or unrestricted reserves;
- o The use of reserves is at all times at the absolute discretion of the Trustees; and
- o There is a requirement to submit a robust business case to support use of reserves and reserves should not be used to support revenue budgets except in exceptional circumstances.

Trust general reserves balance

The Trust's general reserves balance will be maintained at a level equivalent between 8% and 12% of total income. The equivalent of one month's income is earmarked for unexpected cost pressures. Within the reserves balance, the Trust will identify specific funds for the replacement of IT assets and building repairs

Investment policy

The objectives of the Trust's approach to investment are to provide a balanced means by which the Trust can meet its financial commitments and earn an acceptable rate of return on uncommitted funds without undue risk.

Trustees will only invest funds in low risk and easily-accessible accounts. Diversification of investments to try to ensure that the security of funds takes precedence over revenue maximization, investing with institutions that are regulated by the Financial Conduct Authority.

The Trust does not place cash assets in stocks, shares, bonds or other such investment schemes and takes account of the requirements set out in the Academy Trust Handbook.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Trust are as follows:

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 97% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on continuing to attract pupils in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, pupils' success and achievement are closely monitored and reviewed to enable high achievement.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the Trust's success is reliant upon the quality of its staff. Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. The Trust trains early career teachers.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Fraud and mismanagement of funds - The Trust has appointed an external provider to deliver internal scrutiny support and to carry out checks on financial systems and records as required by the Academy Trust Handbook. Finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

Cyber security and data vulnerability - the strength of the protections around the Trust's ICT network and systems is regularly checked. The ICT team has plans in place to that system reinstatement from back up is possible along with resilience across the Trust.

Estates management- The Trust has personnel in place to manage our estate from both a functional basis, i.e. to deliver the best education possible and to ensure risk is minimised. We have used a mixture of condition surveys and in house expertise to ensure we have a clear line of sight with respect to the upkeep of our building, this is then fed into the risk register as and when appropriate. Additionally, for our PFI schools we have regular services deliver meetings with the PFI provider.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. Systems are in place to assess and minimise those risks, including internal controls described elsewhere.

The Trustees review performance against budgets and overall expenditure by means of regular update reports at all board and finance committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

Trustees recognise that the Local Government Pension Scheme, which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, and the funding agreement with the DfE requires the Trust to be a member of this scheme, this risk from this liability is minimised.

FUNDRAISING

Schools fundraise through specific activities, including non-uniform days and particular fundraising events and pupils and staff choose third party charities to donate to.

The Trust does not actively fundraise on its own behalf and therefore, does not employ professional fundraisers. Any complaints relating to fundraising are dealt with in the first instance by the relevant school which follows the Trust's complaints procedure. There were no complaints received in the year.

PLANS FOR FUTURE PERIODS

Future plans are determined by the agreed strategy.

At all times, educational excellence and the equality of educational provision are paramount.

The Trust aims to grow sustainably, integrating new schools into the TPAT family effectively. On the 1st September 2023 Highworth Warneford School joined the Trust.

The Trust has developed an alternative provision to support its most vulnerable children and support them with their access to mainstream education. This has been successful and will be replicated during the next academic year.

Development of the central team will continue to ensure greater capacity and impact, maximising the resources available for educational provision. The Trust has made additional capacity available in the form of 8 extra days of secondary school support from within its existing staff.

**THE PARK ACADEMIES TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

There will be further investment in technology, hardware and software, to support effective educational and support service provision. Including a review of core financial software products.

The Board, CEO, executive and leadership teams are working together to embed culture and manage change.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

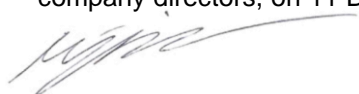
Our Lydiard Park Academy is the custodian of a grant to fund a school games coordinator. The school games coordinator delivers a range of events, working with a wider team, across Wiltshire and Swindon.

AUDITOR

In so far as the Trustees are aware:

- o There is no relevant audit information of which the Trust's auditor is unaware;
- o 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; and
- o The auditors, Bishop Fleming Limited, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 11 December 2023 and signed on the board's behalf by:



**Matthew Dixon
Chair of Trustees**

GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that The Park 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 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 The Park 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 7 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
Matthew Dixon (Chair)	6	6
Antony Purser (Vice-Chair)	6	6
Rebecca Fish	5	6
Mark Edwards	6	6
Catherine Dampney	5	6
Caroline Henham	6	6
Kim Wilson	2	2
Wayne Orr	2	2
Justin Robbins	2	2
Michael Taylor	1	1
Nicholas Capstick	0	1
Cordou Van Oppen	1	2

Matthew Dixon was appointed as the Chair of Trustees in December 2022 following interim Chair, Mark Edwards who oversaw a period of change in the executive team. Antony Purser was appointed as Vice-Chair. Changes to the articles of association resulted in a reduction from two to one vice-chairs and the chair no longer automatically becoming a trust member.

Five new Trustees joined the Board following a successful recruitment campaign. This has strengthened the skills and experience across the Board and its committees.

Three Trustees have been appointed into areas of focused responsibility, covering SEN, safeguarding and health and safety. These Trustees will liaise with LAB members who oversee the same area in their schools and relevant members of the executive board. They report findings into the appropriate committee.

The Board receives regular reports and minutes from its committees confirming that responsibilities that have been delegated have been fulfilled. The executive data received enables Trustees, members and local advisory boards to appropriately and robustly support and challenge executives and effectively fulfil their roles.

The Chairs group, consisting of chairs, vice-chairs and governance professionals from across the trust meet termly to share news, best practice and communications between the layers of governance. This has worked well and strengthened relations and working practice.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

At the end of the academic year the board directed that a review of external governance be completed following its review in autumn 2021. This was presented to the board in September 2023 with actions taken forward by the governance team.

In September 2023, the Chief Executive Officer tendered his resignation. An open and robust recruitment process is underway to recruit his successor, with an executive recruitment committee, consisting of four Trustees elected and appointed into it. The Board have appointed a specialist search agency to assist.

Conflicts of interest

On an annual basis at the start of the academic year, all senior trust staff, Trustees, local advisory board members declare any conflict of interest and are required to update the register if there are any changes throughout the year. There is an opportunity at the beginning of every meeting for interests to be declared.

The register is received annually by Trustees, and posted on the trust website. The register is maintained by the Clerk to the Trust Board and referred to by trust staff accordingly.

Meetings

Over the academic year the Full Trust Board met seven times, the Finance, Risk and Audit Committee met six times, the Education, Performance & Standards Committee met five times, and the Admissions Committee met four times. All committees were able to discharge their responsibilities and ensure robust governance and effective management arrangements are in place. An annual work planner and effective scheme of delegation and terms of reference ensures all responsibilities are met

Governance Reviews

During April 2023 the board commissioned a follow up External Review of Governance by CST following the review that took place in Autumn 2023. This involved the completion of questionnaires and one to one meetings. The reviewers also attended committee and full trust board meetings. CST met with key executives, the Chair of Trustees and the Clerk to the Trust Board.

The outcome of the review was positive with many actions completed and good progress made on other actions from the 2021 review, which has improved the governance function and the work of the Trust Board. The outcome was communicated to the Trust Board who passed this to the Head of Governance and Policy to implement and monitor the progress of some further recommended actions in the areas of strategy, communications, decision making, long term financial planning, risk and policy.

The Board intends to continue to conduct regular external reviews to continue the strength of its work.

Early in 2023, the Trustees reviewed the skill set across the Trust Board and the outcome informed a recruitment campaign, which focused on recruiting those with Education, Finance and Communication skills. Five successful appointments were made to the board with skillsets matching the requirements.

The Finance, Risk and Audit Committee, is a committee of the main Board of Trustees. Its purpose is to undertake responsibility for the Trust's financial reporting, accounting systems, risk and internal controls. In addition to this they assist the Trust Board in fulfilling its responsibilities as set out in the Academy Trust Handbook.

At the end of the year, Michael Taylor, who is the Head of Strategy and Planning in the Civil Service, and Kim Wilson CEO of a Multi-Academy Trust joined the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Antony Purser (Chair of the Committee)	6	6
Rebecca Fish	6	6
Mark Edwards	4	4
Kim Wilson	1	2
Michael Taylor	0	0

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive 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 educational and wider societal outcomes, as well as estates safety and management, 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:

- Improvements in educational outcomes at all key stages;
- Negotiating a very large decrease in energy costs for one school;
- Holding the PFI provider to account to contractual terms and conditions;
- Starting to use Integrated Curriculum Financial Lead Planning to manage school cost structures;
- Estate spend, as with all the Trusts spend is subject to a value for money test before any commitments are made. This is a mixture of quotes and tenders depending on the estimated value of the cost;
- Academies have worked to reduce energy consumption through the installation of LED lighting as well as working to reduce energy usage; and
- Unfortunately, the trust was unsuccessful in its bids to the ESFA for capital grant and consequently was unable to afford to carry out some major repairs and improvements in the year. However, it has plans to do that work in the next academic year subject to affordability.

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 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 The Park Academies Trust for the year to 31 August 2023 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 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 trust's significant risks that have been in place for the year to 31 August 2023 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 CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial;
- reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the finance, risk and audit committee of reports, which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programs;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchase or capital investment) guidelines; and
- Identification and management of risks.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

The Board of Trustees has decided:

- To buy-in an internal audit service from Juniper Education.

This option has been chosen because it felt to be the most cost-effective method of internal scrutiny.

The internal auditor's role includes giving advice on financial and other 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:

- Testing of human resources policies and procedures;
- A cyber security audit; and
- A review of GDPR policies and procedures.

On an annual basis, the audited reports to the Board of Trustees, through the finance, risk and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The auditor delivered the schedule of work as planned in the year.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Chief Executive 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 school resource;
- management self-assessment tool;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework; and
- the work of the external auditor.

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

Approved by order of the members of the Board of Trustees on 11 December 2023 and signed on its behalf by:



Matthew Dixon
Chair of Trustees



Benedick Ashmore-Short
Accounting Officer

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Park Academies Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of 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 Academies Trust Handbook.

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.



Benedick Ashmore-Short
Accounting Officer

Date: 11 December 2023

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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

Company law requires 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:

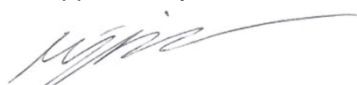
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 and signed on its behalf by:



Matthew Dixon
Chair of Trustees

Date: 11 December 2023

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PARK ACADEMIES TRUST**

OPINION

We have audited the financial statements of The Park Academies Trust (the 'Academy Trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the 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, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

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 Auditors' responsibilities for the audit of the financial statements 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 financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PARK ACADEMIES TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy 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 Academy Trust or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PARK ACADEMIES TRUST (CONTINUED)**

AUDITORS' 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 Auditors' 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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations; and assessment of the impact of schools joining the Academy Trust in relation to these areas;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Trust Handbook 2022, Charities SORP 2019, Charity Law, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
PARK ACADEMIES TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

This report is made solely to the Academy Trust'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 Academy Trust's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Morrison FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming Bath Limited

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date:

13/12/2023

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE PARK
ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 24 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Park Academies Trust during the year 1 September 2022 to 31 August 2023 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 The Park 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 Park 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 The Park Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE PARK ACADEMIES TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Park Academies Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE PARK
ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Bishop Fleming Bath Limited
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 13/12/2023

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants	3	285	(182)	4,920	5,023	50
Other trading activities		392	-	-	392	368
Investments	6	65	3	-	68	8
Charitable activities		213	22,699	-	22,912	19,986
Total income		955	22,520	4,920	28,395	20,412
Expenditure on:						
Charitable activities		1,024	21,638	679	23,341	21,422
Total expenditure		1,024	21,638	679	23,341	21,422
NET INCOME/ (EXPENDITURE)		(69)	882	4,241	5,054	(1,010)
Transfers between funds	18	-	(315)	315	-	-
Net movement in funds before other recognised gains/(losses)		(69)	567	4,556	5,054	(1,010)
Actuarial gains on defined benefit pension schemes	25	-	731	-	731	6,851
Pension surplus not recognised	25	-	(501)	-	(501)	(380)
Net movement in funds		(69)	797	4,556	5,284	5,461
Reconciliation of funds:						
Total funds brought forward		1,320	1,443	11,365	14,128	8,667
Net movement in funds		(69)	797	4,556	5,284	5,461
Total funds carried forward		1,251	2,240	15,921	19,412	14,128

The notes on pages 26 to 54 form part of these financial statements.

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07694023

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	15,923	11,366
		15,923	11,366
Current assets			
Debtors	15	649	393
Cash at bank and in hand		5,242	4,824
		5,891	5,217
Creditors: amounts falling due within one year	16	(2,402)	(2,455)
Net current assets		3,489	2,762
Total net assets		19,412	14,128
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	15,921	11,365
Restricted income funds	18	2,240	1,443
Total restricted funds	18	18,161	12,808
Unrestricted income funds	18	1,251	1,320
Total funds		19,412	14,128

The financial statements on pages 23 to 54 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Matthew Dixon
Chair of Trustees

Date: 11 December 2023

The notes on pages 26 to 54 form part of these financial statements.

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	667	1,238
Cash flows from investing activities	21	(249)	(686)
Change in cash and cash equivalents in the year		418	552
Cash and cash equivalents at the beginning of the year		4,824	4,272
Cash and cash equivalents at the end of the year	22, 23	5,242	4,824

The notes on pages 26 to 54 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 (FRS102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Park Academies Trust meets the definition of a public benefit entity under FRS 102.

1.2 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 Academy 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All incoming resources are recognised when the 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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 year is deducted from income and recognised as a liability.

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

- **Donations**

Donations are recognised on a receivable basis 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 year in which it is receivable and to the extent the goods have been provided or on completion of the service.

- **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 a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 EXPENDITURE

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

- **Charitable activities**

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES (continued)

1.5 TANGIBLE FIXED ASSETS

Tangible fixed assets costing £1,000 or more are capitalised and 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.

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

The land and buildings occupied by Abbey Park School and Red Oaks School are subject to a PFI agreement and maintained and controlled by the PFI company. The Academy Trust does not hold any ownership over the assets and therefore they are not held as fixed assets in the financial statements.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	- 50 years straight line
Motor vehicles	- 20% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

1.6 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.7 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.8 LIABILITIES AND PROVISIONS

Liabilities and provisions 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 are measured at the best estimate of the amounts required to settle the obligation.

1.9 FINANCIAL INSTRUMENTS

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement bases 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 15. Prepayments are not financial instruments.

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 16. 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.

See note 17 for a summary of financial instruments at 31 August 2023.

1.10 TAXATION

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

1.11 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. ACCOUNTING POLICIES (continued)

1.12 PENSIONS

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.

Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore when a pension scheme is valued at a surplus, it is recognised at a £Nil value.

1.13 AGENCY ARRANGEMENTS

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 100% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 24.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.14 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 the 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.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2023 has been used by the actuary in valuing the pensions liability at 31 August 2023. 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.

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023	Restricted funds 2023	Restricted fixed asset funds 2023	Total funds 2023	Total funds 2022
	£000	£000	£000	£000	£000
Donations	285	(182)	4,768	4,871	19
Capital Grants	-	-	152	152	31
TOTAL 2023	<u>285</u>	<u>(182)</u>	<u>4,920</u>	<u>5,023</u>	<u>50</u>
Total 2022	<u>19</u>	<u>-</u>	<u>31</u>	<u>50</u>	

Unrestricted donations received in 2023 include balances received on the conversion of Bridlewood Primary School of £247,791.

Capital donations received in 2023 include the land and buildings and other fixed assets received on the conversion of Bridlewood Primary School of £4,768,534.

Restricted donations received in 2023 include the deficit relating to the Local Government Pension Scheme received on the conversion of Bridlewood Primary School of £182,000.

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. FUNDING FROM THE ACADEMY TRUST' EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant	-	17,994	17,994	16,415
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	744	744	649
16-19 Funding	-	750	750	637
Schools Supplementary Grant	-	545	545	165
Mainstream Schools Additional Grant	-	265	265	-
Teacher's Pay & Pension Grants	-	37	37	52
Others DfE/ESFA Grants	-	399	399	78
	-	20,734	20,734	17,996
OTHER GOVERNMENT GRANTS				
High Needs	-	1,325	1,325	1,127
Other Government Grants	-	48	48	89
	-	1,373	1,373	1,216
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch Up Premium	-	-	-	85
Recovery Premium	-	158	158	81
School Led Tutoring	-	24	24	67
	-	182	182	233
OTHER FUNDING				
Trip income	-	410	410	135
PFI income	-	-	-	48
Other income	213	-	213	359
	213	410	623	542
TOTAL 2023	213	22,699	22,912	19,987
TOTAL 2022	407	19,580	19,987	

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Lettings	73	73	77
Educational support	84	84	79
Nursery income	235	235	212
TOTAL 2023	<u>392</u>	<u>392</u>	<u>368</u>
Total 2022	<u>368</u>	<u>368</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest	65	-	65	8
Pension income	-	3	3	-
TOTAL 2023	<u>65</u>	<u>3</u>	<u>68</u>	<u>8</u>
Total 2022	<u>8</u>	<u>-</u>	<u>8</u>	

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. EXPENDITURE

	Staff Costs	Premises	Other	Total	Total
	2023	2023	2023	2023	2022
	£000	£000	£000	£000	£000
Direct costs	12,734	679	1,759	15,172	13,923
Allocated support costs	4,743	2,286	1,191	8,220	7,499
TOTAL 2023	<u>17,477</u>	<u>2,965</u>	<u>2,950</u>	<u>23,392</u>	<u>21,422</u>
Total 2022	<u>16,655</u>	<u>2,408</u>	<u>2,359</u>	<u>21,422</u>	

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Education	15,172	8,220	23,392	21,422
Total 2022	13,923	7,499	21,422	

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £000	Total funds 2022 £000
Pension costs	51	97
Staff costs	12,270	11,885
Depreciation	679	389
Educational supplies	495	379
Examination fees	193	178
Staff development	39	58
Other costs	966	653
Supply teachers	464	264
Recruitment and support	15	20
TOTAL 2023	15,172	13,923

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	4,743	4,506
Educational supplies	18	20
Other costs	58	77
Recruitment and support	36	15
Maintenance of premises and equipment	1,207	1,082
Cleaning	37	31
Rent and rates	815	729
Energy costs	263	218
Insurance	68	10
Security and transport	84	20
Catering	336	243
Technology costs	190	131
Office overheads	52	55
Legal and professional	303	352
Interest and bank charges	10	9
Governance	-	1
TOTAL 2023	8,220	7,499

9. NET (EXPENDITURE)/INCOME

Net (expenditure)/income for the year includes:

	2023 £000	2022 £000
Depreciation of tangible fixed assets	679	389
Fees payable to Auditor - Audit	17	16
Fees payable to Auditor - Other services	3	2
Operating lease rentals	13	16

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	12,994	11,747
Social security costs	1,158	1,041
Pension costs	2,860	3,603
	17,012	16,391
Agency staff costs	464	264
	17,476	16,655

b. STAFF NUMBERS

The average number of persons employed by the Academy Trust during the year was as follows:

	2023	2022
	No.	No.
Teachers	215	205
Education support	201	182
Administration	63	49
Management	23	21
	502	457

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	186	190
Educational Support	115	157
Administration	23	40
Management	22	19
	346	406

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	8	6
In the band £70,001 - £80,000	6	3
In the band £80,001 - £90,000	1	2
In the band £100,001 - £110,000	2	2
In the band £130,001 - £140,000	1	-
In the band £160,001 - £170,000	-	1
In the band £170,001 - £180,000	1	-
	=====	=====

The above employees participated in the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2023 pension contributions for these staff amounted to £281,635 (2022: £231,526).

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £620,674 (2022: £559,005).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. CENTRAL SERVICES

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

- Governance
- Accounting
- Financial services
- Premises support
- Educational support
- Marketing and branding
- HR
- Legal services
- IT support and network management
- Data protection
- Health and safety

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

The Trust will charge each school 5% of the General Annual Grant income pro-rata for the year.

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
Lydiard Park School	520	388
Abbey Park School	479	345
Red Oaks Primary School	141	116
Orchid Vale Primary School	121	110
Bridlewood Primary School	44	-
TOTAL	1,305	959

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £NIL (2022: £Nil) were reimbursed to no Trustees (2022: No Trustees).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy Trust 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 £5,000,000 on any one claim. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
COST OR VALUATION					
At 1 September 2022	13,532	1,480	947	74	16,033
Additions	153	20	327	-	500
Acquired on conversion	4,769	-	-	-	4,769
Disposals	-	-	-	(32)	(32)
Transfer	(1)	-	-	-	(1)
At 31 August 2023	18,453	1,500	1,274	42	21,269
DEPRECIATION					
At 1 September 2022	2,911	1,332	410	15	4,668
Charge for the year	338	40	292	8	678
At 31 August 2023	3,249	1,372	702	23	5,346
NET BOOK VALUE					
At 31 August 2023	15,204	128	572	19	15,923
At 31 August 2022	10,620	148	537	60	11,365

15. DEBTORS

	2023 £000	2022 £000
Trade debtors	6	5
Other debtors	285	26
Prepayments and accrued income	358	362
	649	393

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£000	£000
Trade creditors	1	23
Other taxation and social security	342	202
Other creditors	334	304
Accruals and deferred income	1,725	1,926
	2,402	2,455
	2023	2022
	£000	£000
Deferred income at 1 September 2022	675	697
Resources deferred during the year	441	675
Amounts released from previous periods	(675)	(697)
	441	675

At the balance sheet date the Academy Trust was holding funds received in advance for trips booked for the autumn term 2023, sports games services, trip income, and Universal Infant Free School Meal income received in advance.

17. FINANCIAL INSTRUMENTS

	2023	2022
	£000	£000
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	5,242	4,824

Financial assets measured at fair value through income and expenditure comprise cash and cash equivalents.

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
UNRESTRICTED FUNDS						
General funds	1,320	955	(1,024)	-	-	1,251
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	1,313	18,510	(17,268)	(315)	-	2,240
High needs funding	-	1,325	(1,325)	-	-	-
Pupil premium	34	744	(778)	-	-	-
COVID funding	13	181	(194)	-	-	-
Summer school	4	-	(4)	-	-	-
Teacher's pay and pension grants	-	37	(37)	-	-	-
Other DfE/ESFA funding	-	399	(399)	-	-	-
Other restricted income	-	693	(693)	-	-	-
ESFA supplementary grants	79	810	(889)	-	-	-
Pension reserve	-	(179)	(51)	-	230	-
	1,443	22,520	(21,638)	(315)	230	2,240

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets on conversion	9,272	4,769	(302)	-	-	13,739
Fixed assets purchased from GAG / restricted funds	2,093	151	(377)	315	-	2,182
	<u>11,365</u>	<u>4,920</u>	<u>(679)</u>	<u>315</u>	<u>-</u>	<u>15,921</u>
TOTAL RESTRICTED FUNDS	<u>12,808</u>	<u>27,440</u>	<u>(22,317)</u>	<u>-</u>	<u>230</u>	<u>18,161</u>
TOTAL FUNDS	<u>14,128</u>	<u>28,395</u>	<u>(23,341)</u>	<u>-</u>	<u>230</u>	<u>19,412</u>

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

High Needs - Funding received by Swindon Borough Council to fund further support for students with additional needs.

Pupil premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current inequalities between those children and their wealthier peers.

Teacher's pension/pay grants - This represents funding from the ESFA to cover the cost of increases in teacher's salary and pension costs in the year.

ESFA supplementary grants - This includes Schools Supplementary Grants and Mainstream Schools Additional Grant. Both are funding streams introduced to support schools meet increasing costs.

Other DFE/ESFA grants - This funding includes Y7 Catch up funding, Summer School funding and Post 16 Bursary funding.

Pension reserve - This fund equates to the obligation for retirement benefits as measured using FRS 102.

Restricted fixed asset fund - This relates to resources which must be, or has been, applied for specific capital purposes.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
UNRESTRICTED FUNDS						
General funds	1,478	801	(959)	-	-	1,320
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	793	17,052	(15,839)	(694)	-	1,312
High needs funding	490	1,128	(1,618)	-	-	-
Pupil premium	-	649	(615)	-	-	34
COVID funding	189	85	(261)	-	-	13
Summer school	-	42	(38)	-	-	4
Teacher's pay and pension grants	-	52	(52)	-	-	-
Other DfE/ESFA funding	-	183	(183)	-	-	-
Other restricted income	-	225	(225)	-	-	-
ESFA supplementary grants	-	165	(85)	-	-	80
Pension reserve	(5,313)	-	(1,158)	-	6,471	-
	<u>(3,841)</u>	<u>19,581</u>	<u>(20,074)</u>	<u>(694)</u>	<u>6,471</u>	<u>1,443</u>

THE PARK ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets on conversion	9,512	-	(240)	-	-	9,272
Fixed assets purchased from GAG / restricted funds	1,517	31	(149)	694	-	2,093
	<u>11,029</u>	<u>31</u>	<u>(389)</u>	<u>694</u>	<u>-</u>	<u>11,365</u>
TOTAL RESTRICTED FUNDS	<u>7,188</u>	<u>19,612</u>	<u>(20,463)</u>	<u>-</u>	<u>6,471</u>	<u>12,808</u>
TOTAL FUNDS	<u>8,666</u>	<u>20,413</u>	<u>(21,422)</u>	<u>-</u>	<u>6,471</u>	<u>14,128</u>

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Lydiard Park Academy	-	462
Abbey Park School	-	1,269
Red Oaks Primary School	-	938
Orchid Vale Primary School	-	347
Bridlewood Primary Schools	-	-
Central Services	3,491	(253)
PFI Funding	-	-
Total before fixed asset funds and pension reserve	3,491	2,763
Restricted fixed asset fund	15,921	11,365
TOTAL	19,412	14,128

During the year the Trust moved to a pooled reserves model with all funds, except PFI where relevant, being held in a central reserve.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Lydiard Park Academy	5,000	1,403	341	1,275	8,019	7,639
Abbey Park School	4,154	1,062	189	1,527	6,932	6,598
Red Oaks Primary School	1,563	828	68	529	2,988	3,212
Orchid Vale Primary School	1,055	493	43	577	2,168	2,392
Bridlewood Primary School	473	354	18	81	926	-
Central Services	485	556	86	502	1,629	1,192
ACADEMY TRUST	12,730	4,696	745	4,491	22,662	21,033

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

CURRENT YEAR

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	1	15,921	15,922
Current assets	1,249	4,642	-	5,891
Creditors due within one year	-	(2,402)	-	(2,402)
TOTAL	1,249	2,241	15,921	19,411

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

PRIOR YEAR

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	11,365	11,365
Current assets	1,320	3,897	-	5,217
Creditors due within one year	-	(2,455)	-	(2,455)
TOTAL	1,320	1,442	11,365	14,127

20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATIONS

	2023 £000	2022 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	5,054	(1,010)
ADJUSTMENTS FOR:		
Depreciation	679	389
Interest receivable	(65)	(8)
(Increase)/decrease in debtors	(257)	107
(Decrease)/increase in creditors	(53)	633
Capital grants from DfE and other capital income	(152)	(31)
Donation on new Academies joining the Trust	(4,587)	-
Defined benefit pension scheme cost less contributions payable	51	1,061
Defined benefit pension scheme finance cost	(3)	97
NET CASH PROVIDED BY OPERATING ACTIVITIES	667	1,238

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £000	2022 £000
Interest received	65	8
Purchase of tangible fixed assets	(466)	(725)
Capital grants from DfE Group	152	31
NET CASH USED IN INVESTING ACTIVITIES	(249)	(686)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£000	£000
Cash in hand and at bank	5,242	4,824
TOTAL CASH AND CASH EQUIVALENTS	5,242	4,824

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022	Cash flows	At 31 August 2023
	£000	£000	£000
Cash at bank and in hand	4,824	418	5,242
	4,824	418	5,242

24. AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the Academy received £3,502 (2022: £6,705) and disbursed £3,870 (2022: £2,611) from the fund. An amount of £4,095 (2022: £Nil) is included in other creditors relating to undistributed funds.

25. PENSION COMMITMENTS

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 Wiltshire Pension Fund. Both are multi- employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2023.

Contributions amounting to £334,191 were payable to the schemes at 31 August 2023 (2022 - £302,138) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. PENSION COMMITMENTS (CONTINUED)

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 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 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £1,930,317 (2022 - £1,467,433).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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 2023 was £1,077,000 (2022 - £898,000), of which employer's contributions totalled £864,000 (2022 - £727,000) and employees' contributions totalled £ 213,000 (2022 - £171,000). The agreed contribution rates for future years are 24.50% for employers and 5.5 to 7.5% for employees.

As described in note 31 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

THE PARK ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.25	3.45
Rates of increase in pensions in payment/inflation	2.85	3.05
Discount rate for scheme liabilities	5.25	4.25

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

	2023	2022
	Years	Years
Retiring today		
Males	21.4	21.7
Females	24.1	24.2
Retiring in 20 years		
Males	21.6	22.6
Females	25.1	26.0

SHARE OF SCHEME ASSETS

The Academy Trust's share of the assets in the scheme was:

	At 31	At 31 August
	August 2023	2022
	£000	£000
Equities	5,266	5,441
Corporate bonds	2,577	3,123
Property	1,344	1,511
Cash	112	-
Gilts/Government Bonds	784	-
Other	1,121	-
TOTAL MARKET VALUE OF ASSETS	11,204	10,075

The actual return on scheme assets was £168,000 (2022 - £152,625).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

25. PENSION COMMITMENTS (CONTINUED)

The amounts recognised in the Statement of Financial Activities are as follows:

	2023	2022
	£000	£000
Current service cost	(915)	(1,788)
Interest income	449	174
Interest cost	(446)	(271)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(912)	(1,885)

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

	2023	2022
	£000	£000
AT 1 SEPTEMBER	10,075	15,563
Transferred in on existing academies joining the trust	512	-
Current service cost	915	1,788
Interest cost	446	271
Employee contributions	213	171
Actuarial losses	(1,708)	(7,459)
Benefits paid	(130)	(259)
AT 31 AUGUST	10,323	10,075

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2023	2022
	£000	£000
AT 1 SEPTEMBER	10,455	10,250
Transferred in on existing academies joining the trust	330	-
Interest income	474	174
Actuarial gains and derecognition of pension surplus	(977)	(608)
Employer contributions	864	727
Employee contributions	213	171
Benefits paid	(130)	(259)
Administration expenses	(25)	-
AT 31 AUGUST	11,204	10,455

The Academy Trust has an unrecognised surplus of £881,000 (2022 - £380,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

26. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	6	13
Later than 1 year and not later than 5 years	-	10
	<hr/> 6 <hr/>	<hr/> 23 <hr/>

The Trust has an ongoing annual PFI commitment via the Local Authority which currently amounts to £504,759, which is funded by the ESFA. There is a further commitment under the PFI contract for soft services of £410,820 which is inked to RPI. Both end after the 25 year term of the PFI agreement applicable to each school

27. 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.

28. GENERAL INFORMATION

The Park Academies Trust is a company limited by guarantee incorporated in England and Wales. The registered office is Grange Park Way, Grange Park, Swindon, SN5 6HN.

29. 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 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

30. POST BALANCE SHEET EVENTS

On 1 September 2023 Highworth Warneford School joined the Trust.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

31. CONVERSION TO AN ACADEMY TRUST

On 1 December 2022 Bridlewood Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Park Academies Trust from Swindon Borough Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	4,769	4,769
CURRENT ASSETS				
Cash - representing budget surplus on LA funds	315	-	-	315
Debtors	30	-	-	30
CURRENT LIABILITIES				
Creditors	(97)	-	-	(97)
PENSIONS				
Deficit on Local Government Pension Scheme	-	(182)	-	(182)
NET ASSETS/(LIABILITIES)	248	(182)	4,769	4,835