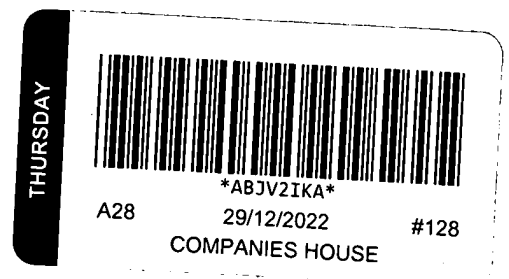




Company registration number 08509710 (England and Wales)

PETERBOROUGH DIOCESE EDUCATION TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022



PETERBOROUGH DIOCESE EDUCATION TRUST

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PETERBOROUGH DIOCESE EDUCATION TRUST
REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Members

Peterborough Diocese Church Schools Trust (PDCST) Corporate — (Represented by Mr P Cantley)
Dr R Whittaker — Member Appointed under Article 16
Mrs M F Holman — Ex-Officio Appointment as Chair of the Board;
The Venerable R Ormston (Chair of the Diocesan Board of Education) - Appointee of PDCST
Reverend D Spenceley – Appointee of PDCST

Directors

Dr G Temple (Vice Chair)
Mrs N Howes (Resigned 21 June 2022)
Mr A Scarborough
Mrs J Martin
Mr K Binley (Resigned 16 December 2021)
Mr A Weatherill (Resigned 30 September 2021)
Mrs M Holman (Chair)
Mr A Sodhi
Mrs C Armstrong
Mrs R Walker-Green (CEO)
Bishop E Condry (Resigned 12 October 2021)
Dr J Northing (Resigned 9 September 2022)
Mr S Rose (Appointed 3 October 2022)
Mr R Harding (Appointed 3 October 2022)
Mr G Cracknell (Appointed 8 December 2022)

Executive Team

Mrs R Walker-Green, Chief Executive Officer
Mrs H Buckley, Director of Governance and Compliance
Mr L Hughes, Chief Finance Officer
Mrs G Broughton, Director of Learning and Achievement

Company Name

Peterborough Diocese Education Trust

Principal and Registered Office

Bouverie Court
6 The Lakes
Bedford Road
Northampton
Northamptonshire
NN4 7YD

(CONTINUED)

PETERBOROUGH DIOCESE EDUCATION TRUST
REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Company Registration Number
08509710

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

Bankers
Barclays Bank PLC

Solicitors
Stone King
Boundary House
91 Charterhouse Street
London
EC4M 6HR

PETERBOROUGH DIOCESE EDUCATION TRUST
REFERENCE AND ADMINSTRATIVE DETAILS OF THE MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

(CONTINUED)

Academy	Location	Nominated Leadership
Blakesley	Towcester	Laurie Hill
Kislingbury	Kislingbury	Rebecca Osborne
Oundle	Oundle	Jo Griffin
St Marys	Burton Latimer	Erica Holt
Spratton	Spratton	Liz Crofts
Trinity	Kettering	Tom Burrows
Barby	Daventry	Suman Bedi
Braunston	Daventry	Lianna Willis
Collingtree	Northampton	Rebecca Osborne
Cottingham	Corby	Ashley Scott
Cranford	Kettering	Craig Charteris
Great Addington	Kettering	Emily Birch
Greens Norton	Towcester	Sue Marsh
Isham	Kettering	Alex Price
Loddington	Kettering	Helen Dowsett
Mears Ashby	Northampton	Liz Crofts
Milton	Northampton	Rebecca Osborne
Pytchley	Kettering	Tania Watts
Ringstead	Wellingborough	Helen Roberts
Ryhall	Stamford	Katy Walker
St Andrews	Kettering	Ben Arnell
St Barnabas	Wellingborough	Sue Campbell
St James	Northampton	Sarah Beach
St Luke's	Northampton	Sonia Clews
Staverton	Daventry	Ruth Nemes
Sywell	Northampton	Jo Shortland
Towcester	Towcester	Sally Beaton
Weldon	Corby	Kirstin Howarth
Silverstone	Towcester	James Bloomfield
Guilsborough	Northampton	Katie Shilliam
Welford, Sibbertoft & Sulby	Northampton	Liz Crofts
Freemans Endowed	Wellingborough	Fiona Hull
William Law	Peterborough	Darren Epton-Smith
Head Office	Northampton	Ruth Walker-Green

PETERBOROUGH DIOCESE EDUCATION TRUST TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

Directors' Report

For the year ended 31 August 2022

The Directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustee's report under charity law, and a Directors' report under company law.

Peterborough Diocese Education Trust (referred to as either PDET or the Trust) is a Multi-Academy Trust established to primarily, but not exclusively, provide a home for Church of England schools in the Diocese of Peterborough who wish to convert to academy status or who are compelled by the Government to convert. There were thirty-three academies in PDET as at 31 August 2022.

Structure, Governance and Management

Constitution

PDET 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 Multi Academy Trust. The Directors of PDET are also the Trustees of the charitable company for the purposes of company law. The charitable company operates as Peterborough Diocese Education Trust.

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 2.

Members' Liability

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

Directors' Indemnities

Directors benefit from unlimited indemnity insurance, as part of the RPA, to cover the liability of the Directors 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 PDET.

Method of Recruitment of Directors

The management of PDET is the responsibility of the Directors who are appointed by the Members pursuant to the terms of the Articles of Association.

The Trust Governance Committee, which is a Committee of the Board of Directors, is responsible for sourcing potential directors, carrying out a rigorous selection process and subsequently recommending, as appropriate, potential directors to the Board. The Board reviews the recommendations and in turn, recommends appointments to the Members.

PETERBOROUGH DIOCESE EDUCATION TRUST TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

A skills audit informs director recruitment to ensure due consideration is given to any identified gaps in skills and/or experience and the need for diversity, to ensure the Board has the necessary skills to fulfil its duties.

Policies and Procedures Adopted for the Induction and Training of Directors

PDET uses the 'GovernorHub' platform across the Trust, which enables Directors to access all documentation relevant to Trust governance, appropriate resources and training webinars.

Additionally, all Directors undertake annual safeguarding training in accordance with their statutory responsibilities under Keeping Children Safe in Education (KCSIE).

Organisational Structure

The organisational structure of the Trust consists of the Members, the Directors, the committees of the Board of Directors, including the Academy Governance Committees (AGCs), the Executive team, the central support team and the nominated leadership at each school.

The Board has chosen to delegate responsibility for some areas of governance to its committees as outlined in the Board Remit and Scheme of Delegation. In addition to the AGCs, the following committees of the Board of Directors have been formed:

- Business and Finance
- Audit and Risk
- Education
- Trust Governance
- People and Pay

The Chief Executive of the Multi Academy Trust is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Directors benchmark the pay and remuneration of key management personnel in various ways. The People and Pay Committee use benchmarking data provided by the Confederation of School Trusts (CST) in collaboration with XperHR Cendex to support fair and transparent decisions regarding executive / central team reward. This committee also reviews the pay of individual senior leaders (in addition to pay bandings) and reviews the individual pay of senior teachers in PDET in terms of the STPCD Upper Pay Range. The Executive team reviews vacancies and sets the associated salaries of appointments in the academies.

PETERBOROUGH DIOCESE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade Union Facility Time

Relevant union officials

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

Percentage of time spent on facility time

Percentage of time	Number of employees
100%	1

Percentage of pay bill spent on facility time

Total cost of facility time		£13k
Total pay bill		£25.7m
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill x 100)		Less than 1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total trade facility time hours x 100)	0 hours
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Related Parties and other Connected Charities and Organisations

The Diocese of Peterborough is an academy trust sponsor. The Diocese of Peterborough formed PDET in 2013 to be the natural home for Church of England schools across the Diocese.

Engagement with employees: How the Trust engages with employees

As an employer of nearly 1,000 staff, PDET is committed to engaging staff in the development of the Trust. A People Strategy was devised in 2021/22, ensuring people development is at the heart of all Trust decision making over the next three years; this was launched by the CEO and the Chair of Directors to all colleagues in September 2021.

PETERBOROUGH DIOCESE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Part of this strategy is to further develop effective two-way internal communication between all key stakeholders. During the year, the evolution of the IT strategy, focussing initially on the development of the IT infrastructure, placed all employees in a single tenancy enabling, in the future, more effective communication and collaboration. A nominated Headteacher attends the Board meeting as a Headteacher representative and provides trust-wide feedback. The CEO and other executive colleagues visit all schools, as a minimum, on a termly basis. The Executive Team holds meetings with all Headteachers and senior leaders on a regular basis and holds Headteacher Development Days on a termly basis.

Integral to the overarching People Strategy, a wellbeing strategy has started to be implemented this year. A 'Wellbeing' survey was completed by all staff in the summer term of 2020/21 with the results informing a Trust-wide action plan and individual school actions plans for 2021/22. A working partnership has been established with 'Be Ready' (a digital learning provider) to develop career pathways. The Trust has invested, through the Apprenticeship Levy, in twelve colleagues who are now enrolled in a Wellbeing Apprenticeship scheme, starting September 2022 to become Wellbeing Coaches across the Trust. Two school leaders have joined a focus group to develop the programme. In addition, a Trust Wellbeing Committee has been established to begin work on delivering aspects of the PDET Wellbeing Charter that has now been finalised and circulated to all schools. The impact of actions taken will be measured in April 2023 through Wellbeing Survey results.

The Trust does not discriminate against disabled people. Any person who is or has become disabled will not be treated less favourably because of their disability. All reasonable adjustments to work places and practices will be fully considered to help and support disabled employees to remain in employment.

Objectives and Activities

Objectives

PDET's object is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- (ii) other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

PETERBOROUGH DIOCESE EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Aims and Objectives

PDET is a multi-academy trust (MAT) formed by the Peterborough Diocese Board of Education in 2013 as a natural home for church schools within the Diocese that wish to become an academy and part of a MAT.

PDET welcomed its first school, St Andrew's in Kettering, into the newly formed MAT in May 2014. The Trust has grown to become the home for 33 schools across the Peterborough Diocese. PDET is the largest MAT in the Diocese and, by number of schools, one of the 25 largest MATs in the country. Currently, it serves over 6,000 pupils and employs almost 1,000 staff. The 33 primary schools in the PDET family vary in size and are located in geographical contexts ranging from urban to rural settings. The Trust has a strong track record of planning and collaboration with local authorities, presently working with four across the Diocese.

PDET's vision statement was redefined for 2021/22:

'For every child, within our Trust, to experience an excellent education and to realise their God-given potential to flourish.'

The pathway to achieving this vision is articulated as:

'Working together as one, through the affirmation of God's love within a distinctively Christian ethos, we aim to:

Educate for:

- **Wisdom and Knowledge**
- **Hope and Aspiration**
- **Community and Living Well Together**
- **Dignity and Respect**

And

Promote a positive, open and honest culture which embraces and nurtures these.

We ensure our academies are inclusive, serving the local community, welcoming all children of the Christian faith, of other faiths or of no faith.'

PDET's vision and pathway encapsulates its commitment to creating environments where human flourishing (both children and adults) and living well together are the substance of education, embracing the Church of England's vision for education in developing 'called, connected and committed' leadership. All church schools in the Trust's family have a unique identity with a shared moral purpose.

PETERBOROUGH DIOCESE EDUCATION TRUST TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The realisation of the vision is articulated as follows:

- Excellent progress for all pupils
- Individual high academic achievement
- Whole person development (cognitive, spiritual, emotional, physical, moral and social)
- Personal fulfilment and engagement for all adults
- Efficient and effective shared services as a result of working as one Trust.

Public Benefit

The Directors confirm they have referred to the Charity Commission's guidance on Public Benefit when reviewing PDET's aims and objectives and in planning future activities for the year.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic Report

Achievements and Performance

This is the 9th year of operation of PDET; the annual report covers the period from 1 September 2021 to 31 August 2022. At the start of the reporting year, the Trust had 33 open academies.

PDET is ambitious for all its pupils, its schools, its colleagues and for the organisation as a whole. PDET prides itself on three key strengths:

- Excellent school improvement
- Outstanding governance
- Sound financial management.

PDET believes, and serves as proof, that schools flourish when these fundamentals are achieved.

The Impact of Covid-19

The impact of the Covid-19 pandemic and implementing the appropriate control measures cannot be underestimated on the workings of the Trust.

Financial Impact of Covid-19

PDET received recovery premium of £150k which has been invested by schools directly and through central interventions, in tutoring, school led interventions and wider catch-up initiatives. Individual catch-up strategies have been implemented in each academy. At the year-end, no funding remained unspent. National Tutoring Programme (NTP) funding of £134k was utilised to deliver catch-up strategies with £17k remaining unspent at the year-end. Budgets have been set with acknowledgement of the continued need to invest in recovery to close the gaps created by the national pandemic.

PDET has been successful in negotiating various support contracts. The savings from these negotiations combined with a reduction in general spend on school consumables and additional staffing (such as cover staff) meant that the financial impact of the pandemic was minimal. An increase in staff absence is being monitored as long-term medical absences increase.

Income from the hiring of premises and extended provision continued to be in deficit compared to the annual budget set due to mitigating measures put in place to reduce Covid infection. Following the pandemic, academies have noted a change in the working arrangements / patterns of families which has suppressed the need for extended provision to an extent.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Non-Financial Impact of Covid-19

PDET has recognised the impact the pandemic has had on pupil achievement (see Key Performance Indicators section below) and has robust and rigorous plans to address lost learning.

Provision in schools continued to be detrimentally impacted by the new Covid variant during the Autumn and Spring terms with staffing capacity, due to illness and isolation, being a major contributory factor. A robust approach to risk assessments continued to be a priority, ensuring mitigating measures were in place as far as possible.

Staff wellbeing continues to be an important focus; the positive results from the Wellbeing survey (April 2021) have been viewed as a driver for further development across the organisation.

Expansion

During the year 2021/22, PDET revisited its growth strategy. Encapsulated within this strategy is the recognition that the Trust will seek opportunities for growth and will be open to consider potential academisation requests from schools in the Diocese. Directors will continue to carry out the necessary due diligence, as required, to inform decision making regarding potential academy conversions, so that the Directors have assurance that the Trust (i) has the capacity to support any school that wishes to join the Trust whilst (ii) ensuring that the level of service to the other schools will not be detrimentally impacted.

Governance

The Directors launched an ambitious three-year Strategic Plan in September 2021 which outlined the strategic priorities set for the period 2021-2024. The annual Trust Wide Improvement Plans set out how the Executive team delivers against the strategic objectives.

The Strategic Priorities for 2021-24 have been identified as follows:

1. Education: To further develop a robust, rigorous and responsive educational strategy to achieve ambitious outcomes for the children in our Trust
2. People: To develop a comprehensive people strategy
3. Governance: To further develop strong and effective governance at all levels
4. Operations: To further develop an effective, efficient and economical operational and financial strategy
5. Organisational Culture and Ethos: To further develop a positive, open and honest culture.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic developments 2021-22

The Directors have continued to monitor and evaluate progress against the Strategic Priorities.

A number of strategic developments that have been achieved this year are listed below:

- **Education:**
 - Through the Academy Improvement strategy, continuous improvement is driven from within the Trust, regarding the quality of teaching and learning and the development of the whole child.
 - Effective Trust-wide educational practices are informed by research.
- **People:**
 - Comprehensive professional development for educational professionals has continued to develop in order to inform clear career pathways.
 - A wellbeing strategy has been implemented (see Engagement with Employees section above).
 - Professional networks with external partners have been further developed to support the work of the Trust.
- **Governance:**
 - Directors have provided significant, effective governance during 21/22 whilst upholding the ethos of the Trust supported by a skilled governance professional.
 - There is a developing understanding of the revised role of local governance due to comprehensive materials provided to support Academy Governance Committees (AGCs) in terms of monitoring the effectiveness of the school in addressing the strands of the SIAMS schedule and living out its vision and values.
- **Operations:**
 - Compliant and efficient shared services have been established in 20 schools in terms of Finance Business Partnering, HR and Estates.
 - Single Banking has been implemented for two thirds of the schools in the Trust.
 - Implementation of a new IT strategy has commenced which includes a single managed service, single tenancy and a 'cloud-based serverless' approach.
 - More effective risk management processes have been implemented as part of a new risk management policy.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Educational Outcomes 2021-22

Ofsted Position

PDET currently runs 33 schools, a combination of sponsored and converter academies.

PDET has an excellent track record of school improvement. This has been evidenced by the successful outcomes of eight Ofsted inspections throughout this year. The Trust's overall percentage (%) has increased from 85% of schools judged good or better at the start of the year to 97%. This includes the following:

- Mears Ashby CE Primary School: Inadequate to Good
- St James CE Primary School: Requires Improvement to Good
- Weldon: Requires Improvement to Good.

At the end of 2021/22, all schools have a good or better judgement with the exception of one that has not yet been inspected since joining the Trust.

Ofsted Judgements of Schools Inspected in the Trust			
	Inadequate	Requires Improvement	Good or better
Prior conversion	12.5% (3) St Barnabas; Collingtree Mears Ashby	17% (4) St Andrews; Pytchley Weldon; St James	71% (17)
Post conversion	0	0	100% (24)

Pupil Outcomes

The Trust carried out its first statutory assessments since 2019 due to the Covid-19 pandemic. End of Key Stage 2 outcomes at the Expected Standard were all above the national averages for 2022 and above West and North Northamptonshire averages. Year 1 Phonics outcomes were 9.4% above the national average.

Key Financial Performance Indicators

PDET uses several financial key performance indicators to monitor and benchmark financial health and progress. These measures are built into the monthly management accounting routine and budget setting process. A list of the KPI's used are noted here:

Key Performance Indicator	Metric	Benchmark
GAG as a % of Total Income	84.8%	75.0%
Adjusted Staff Costs as a % of Adjusted Total Income	82.3%	75.0% - 78.0%
Total Staff Costs as a % of GAG	95.9%	85.0%
Teaching Costs as a % Total Staff Costs	61.8%	52.0% - 55.0%
Teaching Costs as a % Total Income	49.2%	45.0% - 49.0%
Educational Support Staff Costs as a % of Total Income	17.8%	12.5% - 15.0%
Premises Costs as a % of Total Costs	10.3%	9.0% - 13.0%
Total Funding per Pupil	5,228	5,650

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Whilst these KPIs provide some good analysis, each result has context and therefore they are used as a guide rather than a target.

PDET has completed the Schools Resource Management Assessment (SRMA) tool, discussed the results at the Business and Finance Committee and set actions as required. PDET will look to improve consistency of reporting throughout its schools and make use of internal benchmarking to ensure the Trust continues to be financially sustainable. Monthly reporting is continually reviewed for effectiveness and the Board Pack is also distributed to Directors on a monthly basis.

The average size of a PDET academy is classed as small according to DFE metrics. Ensuring value-for-money (VfM) is key to ensuring the sustainability and viability of every PDET academy. Maintaining healthy cash levels is, therefore, a key strategic aim.

In 2021 a new reserves policy and an associated appeals mechanism were adopted by Directors. This policy mandates that available reserves (the total reserve balance less capital, pension and designated reserve balances) should be a minimum of 10% of the General Annual Grant. At the start of 2021-22, 'available reserves' were £4.4m, equating to 18.6% of GAG. At the year-end 'available reserves' were £4.9m, equating to 17.9% of GAG. This reduction is the result of the inclusion of full-year GAG income of William Law outweighing the operational surplus of the Trust.

Designated reserves of £1.7m have been created for:

- the LED lighting programme
- investment required for the strategic IT serverless project
- excess building works requirements over and above those available from in-year SCA allocation.

'Free reserves', (the remainder of available reserves less designated reserves) were 11.7% of GAG with headroom of £0.5m.

Going Concern

The Directors have a reasonable expectation that PDET 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.

The on-going impact of Covid-19 is likely to increase the financial burden on PDET academies in terms of direct revenue losses from reduced facility hiring and/or reduction in wrap around provision. As PDET consists of generally small, or very small, academies, PDET also faces the financial impact of the need for external cover when staff are self-isolating or ill, as there is little capacity to internally cover with existing staff.

Financial Review

The majority of PDET's funding comes through the General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA). This is used to help PDET achieve the objectives set out in the Trust's Strategic Plan. PDET's Central Team retains 5% of the GAG to fund central services which include academy improvement and back-office support functions. Directors are able to cite many examples where the central procurement of services has achieved better value for money than each academy operating independently. It is recognised that the 5% central charge does not cover the costs of providing the volume of central services in place currently but there is no appetite to increase

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

this percentage. Instead, academies are encouraged to build a cost budget detailing what they feel they need to deliver school improvement and not to treat their academy as a profit centre.

Directors are aware of their responsibility to spend the School Condition Allocation (SCA) in the areas of most need. A new estates strategy has been developed and embedded in 2021, summarising condition need and the anticipated resources commitment to address them. The financial requirements are categorised as follows:

Condition Grade	Definition
A = Good	Performing as intended and operating efficiently
B = Satisfactory	Performing as intended but exhibiting minor deterioration
C = Poor	Exhibiting major defects and/or not operating as intended

Priority Rating	Definition
Priority 1	Remedial action required in next 12 months
Priority 2	Year 1-2 remedial action required
Priority 3	Year 3-5 remedial action required
Priority 4	No remedial action required in next 5 years

By Category	A1	C2	B3	Total
Year	1-2	2-4	4-5	
SCA Works	1,547,194	2,787,393	1,441,836	5,776,423

Directors have approved a process of budgeting, reforecasting and common presentation of management accounts. This ensures the academies, central finance team and Directors fully understand variances to budgets and are kept informed of financial performance across the Trust.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

The significant decrease in pension liability ensures the balance sheet is solvent and liquidity remains strong with over £9.0m in easily accessible bank accounts.

The large difference between reserves and cash held at the year-end is accounted for by two main events. Firstly, academy funding cycles mean academies receive grants such as UIFSM towards the end of the summer term that are deferred for accounting purposes as they relate to the new academic year. Secondly, in accordance with the estate's strategy, PDET successfully bid for £2.4m of funding from the Government to invest in decarbonisation works. In August 2022, PDET received a large cash input in advance of the works being completed.

In the period PDET has closed 27 bank accounts and now has 20 academies operating from a single bank account. A central treasury function has been developed, improving financial controls over cash management, and allowing the Directors to embed the investment policy. It is expected this change will generate over £150K of additional funding in 2022-23.

Underlying profitability also remains strong, and once depreciation, pension actuarial restatements, and capital are removed, PDET has returned an operational surplus of £0.5m in 2021/22.

The in-year surplus, defined as all reserves excluding pension reserves and fixed assets is £0.5m, reflecting the change in total reserves on the same basis from £4.4m to £4.9m. The breakdown of the available reserves are as follows:

Unrestricted reserves	£4.7m
Restricted reserves	£0.2m

Capital funds of £1.7m form part of the Fixed Asset Reserve and relate to residual SCA and decarbonisation funds. The estates programme of works is gathering pace and Directors are content that adequate plans have been presented to address the carry forward.

Reserves Policy

Directors review the level of reserves of PDET annually. Directors seek to carry forward a prudent level of reserves, no less than 10% of GAG, which is generally accepted to be the industry standard for 'good'. The reserves policy states that all reserves are for PDET, as one single financial entity, and therefore all reserves are pooled.

Investment Policy

Directors have confirmed that, through the management of future cash flow, there will be sufficient funds in main bank accounts to cover operational costs, whilst enabling balances to be invested in secure, short term higher interest deposit accounts.

Directors recommend that any cash not immediately required for operational expenses is placed on deposit at a higher rate of interest.

Principle Risks and Uncertainties

The principal risks and uncertainties, and PDET's mitigating measures, are identified in the PDET Risk Register. Monitoring of risk takes place in the individual committees of the Board and at Board level at each meeting. Each area of risk is given an inherent risk rating. Risk control measures are identified (in accordance with the Trust's risk appetite statement) and a residual risk score is calculated.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

A summary of the potential key risks and uncertainties are noted in the table below:

Area of Risk	Key Risks
1. Financial	Ineffective and inappropriate financial management / use of funds at individual academy level or at central level Funding levels
2. Estates and Capital	Ineffective monitoring and maintenance Use of non-renewable energy; escalating energy costs Ineffective management of capital projects Diverse ICT infrastructure
3. Data Protection	Lack of statutory and appropriate policies Cyber attack Ineffective Business Continuity planning
4. Health and Safety	Ineffective training Ineffective monitoring and auditing Timeliness of reporting Inappropriate Risk Assessments
5. Safeguarding	Policies and procedures are not robust Lack of suitable training
6. Educational Performance	Ineffective Curriculum intent and implementation Impact of the pandemic on pupil achievement Impact of the pandemic on inspection outcomes (Ofsted and SIAMS)
7. Operational (People and pay)	National recruitment challenges Workload impacting on well being Increased need for specialists in SEND Employer responsibilities not met
8. Governance	Insufficient highly skilled Directors due to recruitment challenges Inadequate understanding of roles and responsibilities (AGC level)

Fundraising

PDET academies conduct limited fundraising activities, by, for example, parent teacher associations. A small number of lettings of academy facilities take place.

It is noted that GAG income alone is not enough to sustain PDET's academies, so reliance is placed on ancillary revenues such as wrap around provision, holiday clubs and facilities hiring to supplement budgets. The current pandemic has highlighted the negative impact of losing substantial revenues on PDET academies. Directors note the great efforts academies are making to ensure they are fiscally responsible, whilst remaining safe for all children, staff and any visitors.

Plans for Future Periods

The Directors will ensure that PDET has the capacity to support any school joining the Trust. The level of support required in terms of academy improvement is assessed by a comprehensive PDET Baseline Review which is part of the due diligence process. Balanced growth will help to ensure that fixed costs are met, whilst ensuring the necessary capacity is available for academy improvement support.

The impact of Covid-19 has shown the need to have effective fit-for-purpose IT strategies; this has been one of the main priorities for development in 2021/22 and will continue to develop in future

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

years. Computeam has been appointed as PDET's strategic IT provider and tasked with developing the framework of a single tenancy and ensuring PDET adheres to the principles of Cyber Essentials Plus.

All academies are now part of a single tenancy, facilitating collaboration and more effective communication between colleagues. 10 academies have gone through the 'Serverless' migration programme, identifying major infrastructural needs and a commitment to invest in network arrangements, infrastructure, connectivity, and devices. A trust-wide broadband connectivity contract has been approved.

Investment required to address the condition of academy buildings has been costed and PDET will expand the planned works to include improvement projects, such as LED lighting roll-outs to enhance learning environments.

Funds Held as Custodian Trustee on Behalf of Others

None

Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- the Directors 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.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company Directors, on *15th December*.....and signed on the Board's behalf by: *2022*



Mrs M Holman, Chair of the Board

PETERBOROUGH DIOCESE EDUCATION TRUST GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Governance Statement

Scope of Responsibility

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

The Directors have delegated the day-to-day responsibility to Mrs R Walker-Green, 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 PDET and the Secretary of State for Education.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 6 times during the year. Attendance during the year, at meetings of the Board of Directors, was as follows:

Full Board Attendance 2021-22:

Attendance Key:		✓ = present; A = apologies received and accepted; ApN = apologies received but not accepted; Ab = absent; R = resigned						
Name	Category	30/09/21 EGB	12/10/21	16/12/21	10/2/22	31/3/22	16/5/22	19/7/22
Cathy Armstrong (CA)	Director	✓	✓	✓	✓	✓	Meeting cancelled	✓
Kevin Binley (KB) (Resigned 17 December 2021)	Director	✓	✓	✓				
Bishop Ed Condry (+EC) (Resigned end 12/10/21)	Director	✓	✓					
Margaret Holman (MH)	Director and Chair of the Board	✓	✓	✓	✓	✓		✓
Natalie Howes (NH)	Director	A	A	✓	✓	(In part)		
Jan Martin (JM)	Director	✓	✓	✓	✓	✓		✓ (In part)
Dr Janet Northling (JN) (Appointed Dec 21)	Director			✓	✓	✓		✓
Andrew Scarborough (AS)	Director	✓	✓	✓	✓	✓		✓
Anup Sodhi (ASi)	Director	✓	✓	A	✓	✓		✓
Dr Gordon Temple (GT)	Director and Vice Chair	✓	✓	✓	✓	✓		✓
Ruth Walker-Green (RWG)	CEO and Director	✓	✓	✓	✓	✓		✓
Andrew Weatherill (AW) (Resigned end of 30/09/21)	Director	✓						
Attendance %: this meeting		92%	89%	90%	100%	100%		100%
Attendance %: year to date		92%	90%	90%	92.5%	93.8%		94.7%

PETERBOROUGH DIOCESE EDUCATION TRUST GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

The Business & Finance Committee is a sub-committee of the main Board of Directors. Its purpose is to maintain an oversight of PDET's finances, the financial implications of human resources, payroll, administration, premises, insurance, ICT and catering. The Business & Finance Committee has no executive powers or operational responsibilities.

Attendance at meetings in the year was as follows:

Business and Finance Committee 2021-22:

Attendance Key:		✓ = present; A = apologies received and accepted; ApN = apologies received but not accepted; Ab = absent; R = resigned					
Name	Category	21.09.21	03.12.21	21.01.22	10.03.22	16.05.22	01.07.22
Cathy Armstrong (CA)	Director	✓	✓	✓	✓	✓	✓
Kevin Binley (KB) (Resigned 17 December 2021)	Director and Chair of Committee	✓	✓				
Andrew Scarborough (AS)	Director and Chair of Committee	✓	✓	✓	✓	✓	✓
Anup Sodhi (ASi)	Director	A	✓	✓	✓	✓	A
Dr Gordon Temple (GT)	Director and Vice Chair of Board			✓	✓	A	✓
Kristian Toms	Chair of William Law School	✓	✓	✓	✓	✓	✓
Ruth Walker-Green (RWG)	CEO and Director	✓	✓	✓	✓	✓	✓
Attendance %: this meeting		83.3%	100%	100%	100%	83.3%	83.3%
Attendance %: year to date		83.3%	91%	94.7%	96%	93.7%	91.6%

Review of Value for Money

As Accounting Officer, Mrs R Walker-Green has responsibility for ensuring that PDET delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

PDET did not receive any specific funding from the Government for job retentions or furlough.

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

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Conflicts of Interest

The Trust maintains an up-to-date and complete register of interests for all senior leaders, AGC members, members of Committees of the Board, Board of Directors and Members. The Governance Professional ensures this is an agenda item on an annual basis and collects information from any new membership. The Directors are satisfied this process is sufficient to manage risks.

Governance Review

PDET Board of Directors is committed to ongoing evaluation of its effectiveness and impact. The last external evaluation of governance took place in 2019 and an external review is included in the Trust's current strategic plans.

The main Board Committees have a standing agenda item to consider the impact and evaluation of the Committee's actions and decisions taken over time. Minutes provide an ongoing record. This practice was added to full Board meetings with effect from October 2022.

The Chair holds annual review meetings with each Director where they consider the contribution they have made to PDET, identification of training and development needs, the impact of the Board overall and any suggestions for improvement. Actions have been implemented because of these discussions.

The Governance Professional is a member of sector wide networking groups which provide opportunities to highlight and bring areas of best practice to PDET Board meetings.

Professional Services

PDET continues to pass over 95% of the General Annual Grant allocation to each academy, retaining 5% to provide an increasingly broad range of services. It is worth noting that 45% of all income retained by the central team is reinvested directly in PDET's academy improvement strategy.

PDET has committed to increasing the services provided, wherever possible. However, without changing the way things operate, PDET cannot simply add to offerings without changing the funding mechanism, such as increasing the central charge.

Some specific examples of achieving greater value for money when purchasing professional services are as follows:

- PDET has continued to work with the Litmus Partnership to procure catering services for 25 academies and has ensured the arrangement works to the best advantage for the Trust. The benefits of this partnership have been evident during the pandemic, ensuring compliance with various PPNs and supplier relief methods.

PETERBOROUGH DIOCESE EDUCATION TRUST GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- Teaching and Learning subscriptions have been procured at a reduced cost by offering a larger contract than for single academies
- Insurance provision has been renegotiated for all items not covered by the RPA
- The Trust has negotiated on behalf of all PDET academies, a revised, bespoke Diocesan Service Level agreement as part of their 5% central support charge
- All PDET academies have had a site condition survey completed which will drive the capital investment strategy of the Trust in the next 3-5 years ensuring funds are allocated in the most effective way
- PDET has secured £40,000 from the DFE to create a trust-wide digital platform, enabling the IT strategy to commence
- PDET has secured £99,000 to develop a Heat decarbonisation strategy and will engage Surveyors to Education to complete the work
- A total of £2.4m grant income was successfully achieved to support PDET's sustainability goals and install decarbonisation projects at 6 academies.

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 PDET policies, aims and strategic objectives.
- evaluate the likelihood of those risks being realised and the impact should they be realised
- to manage the risks efficiently, effectively and economically.

The system of internal control has been in place in PDET for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

The Audit and Risk Committee was re-established in January 2020 and approved RSM to coordinate an internal scrutineering service to PDET for a three-year period from September 2021.

RSM's programme in 2021/22 included:

1. Business Continuity
2. Financial Planning and Budgetary Controls
3. Safeguarding

Capacity to Handle Risk

The Directors have reviewed the key risks to which PDET is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Directors are of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Directors.

PETERBOROUGH DIOCESE EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Risk and Control Framework

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

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

On an annual basis, the auditor reports to the Directors, through the Audit and Risk Committee, on the operation of the systems of control and on the discharge of the Directors financial responsibilities.

The Financial Scheme of Delegation has been updated, alongside a revised Financial Regulations Manual, both of which have been fully embedded in the current year. Procurement delegations have also been updated to reflect the current needs of the PDET academies and the responsibilities of the central team.

On a termly basis, the Trust's internal scrutineer (RSM) reports to the board of trustees, through the Audit 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 internal scrutineer 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 internal scrutineer'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:

1. Financial Planning and Budgetary Control
2. Business Continuity
3. Safeguarding

Review of Effectiveness

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


- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Chief Finance Officer, who has responsibility for the development and maintenance of the internal control framework.

PETERBOROUGH DIOCESE EDUCATION TRUST
GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

Approved by order of the members of the Board of Directors on *15th December 2022*
and signed on its behalf by:



Mrs M Holman
Chair of Directors



Mrs R Walker-Green
Accounting Officer

PETERBOROUGH DIOCESE EDUCATION TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The Directors (who also act as Trustees for Peterborough Diocese Education Trust) are responsible for preparing the Directors' report and the accounts in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the Directors are required to:

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

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

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

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

Approved by order of the members of the board of Directors on 15th December and signed on its behalf by:
2022


Mrs M Holman
Chair

PETERBOROUGH DIOCESE EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of Peterborough Diocese Education Trust I have considered my responsibility to notify the Academy Trust board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

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

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

Mrs R Walker-Green
Accounting Officer



15.12.22

PETERBOROUGH DIOCESE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETERBOROUGH DIOCESE EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of Peterborough Diocese Education Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the 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 accounts 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.

PETERBOROUGH DIOCESE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETERBOROUGH DIOCESE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated strategic report.

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

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

Responsibilities of Directors

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

Our approach was as follows

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

PETERBOROUGH DIOCESE EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETERBOROUGH DIOCESE EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

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

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

Use of our report

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



Mohamedraza Mavani (Senior Statutory Auditor)
for and on behalf of



Chartered Accountants
Statutory Auditor

22, 12, 22

Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

PETERBOROUGH DIOCESE EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PETERBOROUGH DIOCESE EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2022

In accordance with the terms of our engagement letter dated 25 July 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peterborough Diocese Education Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Peterborough Diocese Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Peterborough Diocese Education Trust's funding agreement with the Secretary of State for Education dated 30 September 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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.

PETERBOROUGH DIOCESE EDUCATION TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PETERBOROUGH DIOCESE EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The work undertaken to draw to our conclusion includes:

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

Conclusion

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

Alcohol, totalling £6, was purchased in the year which is not permitted by the Academies Trust Handbook.

Moore

Reporting Accountant



Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

Dated: 22, 12, 22

PETERBOROUGH DIOCESE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £	Restricted funds: General £ Fixed asset £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and capital grants	4	414,519	31,038	2,550,121	2,995,678
Donations - transfer from local authority on conversion		-	-	-	57,161
Donations - transfer of existing academy into the trust		-	-	-	1,400,787
Charitable activities:					
- Funding for educational operations	3	-	32,481,466	-	32,481,466
Other trading activities	5	539,263	646,243	-	1,185,506
Investments	6	4,923	-	-	4,923
Total		958,705	33,158,747	2,550,121	36,667,573
Expenditure on:					
Charitable activities:					
- Educational operations	9	432,710	36,194,338	2,568,750	39,195,798
Impairment expenditure		-	-	-	3,919,181
Total	7	432,710	36,194,338	2,568,750	39,195,798
Net income/(expenditure)		525,995	(3,035,591)	(18,629)	(2,528,225)
Transfers between funds	18	-	(166,183)	166,183	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension schemes	20	-	19,268,000	-	19,268,000
Net movement in funds		525,995	16,066,226	147,554	16,739,775
Reconciliation of funds					
Total funds brought forward		4,214,789	(21,610,763)	3,721,117	(13,674,857)
Total funds carried forward		4,740,784	(5,544,537)	3,868,671	3,064,918

PETERBOROUGH DIOCESE EDUCATION TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds £	General £	Fixed asset £	2021 £
Income and endowments from:					
Donations and capital grants	4	210,115	94,265	1,261,222	1,565,602
Donations - transfer from local authority on conversion		111,161	(54,000)	-	57,161
Donations - transfer of existing academy into the trust		3,922,787	(2,522,000)	-	1,400,787
Charitable activities:					
- Funding for educational operations	3	-	29,197,272	-	29,197,272
Other trading activities	5	388,365	259,740	-	648,105
Investments	6	89	-	-	89
Total		<u>4,632,517</u>	<u>26,975,277</u>	<u>1,261,222</u>	<u>32,869,016</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	200,458	32,186,808	391,163	32,778,429
Impairment expenditure		3,919,181	-	-	3,919,181
Total	7	<u>4,119,639</u>	<u>32,186,808</u>	<u>391,163</u>	<u>36,697,610</u>
Net income/(expenditure)		512,878	(5,211,531)	870,059	(3,828,594)
Transfers between funds	18	(223,501)	545,412	(321,911)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(4,204,000)	-	(4,204,000)
Net movement in funds		289,377	(8,870,119)	548,148	(8,032,594)
Reconciliation of funds					
Total funds brought forward		3,925,412	(12,740,644)	3,172,969	(5,642,263)
Total funds carried forward		<u>4,214,789</u>	<u>(21,610,763)</u>	<u>3,721,117</u>	<u>(13,674,857)</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	13		2,200,283		2,469,298
Current assets					
Debtors	14	845,113		720,971	
Cash at bank and in hand		9,775,836		8,083,297	
		10,620,949		8,804,268	
Current liabilities					
Creditors: amounts falling due within one year	15	(3,925,387)		(3,004,923)	
Net current assets			6,695,562		5,799,345
Total assets less current liabilities			8,895,845		8,268,643
Creditors: amounts falling due after more than one year	16		(132,927)		(119,500)
Net assets before defined benefit pension scheme liability			8,762,918		8,149,143
Defined benefit pension scheme liability	20		(5,698,000)		(21,824,000)
Total net assets/(liabilities)			3,064,918		(13,674,857)
Funds of the Academy Trust:					
Restricted funds	18				
- Fixed asset funds			3,868,671		3,721,117
- Restricted income funds			153,463		213,237
- Pension reserve			(5,698,000)		(21,824,000)
Total restricted funds			(1,675,866)		(17,889,646)
Unrestricted income funds	18		4,740,784		4,214,789
Total funds			3,064,918		(13,674,857)

The accounts on pages 8 to 33 were approved by the Directors and authorised for issue on 15/12/22 and are signed on their behalf by:



Mrs M Holman
Chair

Company registration number 08509710

PETERBOROUGH DIOCESE EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	21		(714,372)		380,662
Cash funds transferred on conversion			-		128,721
			<u>(714,372)</u>		<u>509,383</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		4,923		89	
Capital grants from DfE Group		1,511,610		1,261,222	
Capital funding received from sponsors and others		1,038,511		-	
Purchase of tangible fixed assets		(166,183)		(267,032)	
Proceeds from sale of tangible fixed assets		500		300	
		<u></u>		<u></u>	
Net cash provided by investing activities			2,389,361		994,579
Cash flows from financing activities					
New long term bank loan		30,388		140,778	
Repayment of long term bank loan		(12,838)		-	
		<u></u>		<u></u>	
Net cash provided by financing activities			17,550		140,778
Net increase in cash and cash equivalents in the reporting period			1,692,539		1,644,740
Cash and cash equivalents at beginning of the year			8,083,297		6,438,557
Cash and cash equivalents at end of the year			<u>9,775,836</u>		<u>8,083,297</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Peterborough Diocese Education Trust is a charitable company. The address of its principal place of business is given on page i and the nature of its operations are set out in the Directors' report.

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Directors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

Whilst the impact of coronavirus has dissipated to some degree, the legacy of its effect continues to be felt throughout most sectors of the economy. Other matters such as supply chain issues and rising prices, particularly fuel and energy, are impacting across all businesses. Going concern is therefore an important area that the directors are keeping under close scrutiny. No immediate concerns in relation to the company's long term future have been identified, but this area continues to be monitored. The directors are satisfied that the steps they have taken in the short term are appropriate and effective.

1.3 Income

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

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

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

Transfer of assets on conversion

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

Transfer of assets from existing academies

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net 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. Income equal to the net assets transferred is recognised within donations and capital grant income.

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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Charitable activities

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

Redundancy and termination payments

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

1.5 Tangible fixed assets and depreciation

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Where academies are operating under a licence to occupy, the land and building are not recognised as fixed assets in the financial statements.

The Board of Directors have chosen not to include building valuations on the Balance Sheet. PDET does not own any of the school sites. The school sites are owned by the site trustees and are made available to the school by a Church Supplemental Agreement. The site trustees can withdraw the school site at any time on two years notice. PDET cannot sell the "asset" or mortgage it as security for any borrowing. The economic benefit to PDET is that it does have the use of the site for nil consideration, but only for the use as a church school. Therefore, PDET has concluded after seeking legal opinion, not to include the value of the sites and building they use. The risks and rewards of ownership have not been passed to PDET and therefore no value has been attributed to the land and buildings as at 31 August 2022.

Leasehold improvements are not capitalised, on the basis that the underlying property assets are not owned by the trust. Consequently, the relevant costs are to be taken to the statement of financial activities.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	30 years
Modular building	10 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years
Motor vehicles	5 years

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.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

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

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

1.9 Taxation

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

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

1.10 Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

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

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

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

1.11 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy Trust at the discretion of the Directors.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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 20, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Management have applied their judgement in determining the rates at which classes of fixed assets should be depreciated. The rates applied are shown in the accounting policy above. The pension liability is assessed by an independent actuarial valuation.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2022 £	Restated Total 2021 £
DfE / ESFA grants				
General annual grant (GAG)	-	27,587,832	27,587,832	23,644,998
Other DfE / ESFA grants:				
UFSM	-	863,853	863,853	791,106
Pupil premium	-	1,531,583	1,531,583	1,202,078
Start up grants	-	-	-	25,000
Sports Funding grants	-	581,230	581,230	550,891
Covid- 19 catch up grants	-	-	-	473,478
Others	-	391,171	391,171	661,213
Teacher pension grants	-	514,966	514,966	831,019
	-	31,470,635	31,470,635	28,179,783
Other government grants				
Local authority grants	-	1,010,831	1,010,831	1,017,489
Total funding	-	32,481,466	32,481,466	29,197,272

4 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Capital grants	-	2,550,121	2,550,121	1,261,222
Other donations	414,519	31,038	445,557	304,380
	414,519	2,581,159	2,995,678	1,565,602

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other income	539,263	646,243	1,185,506	648,105

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Other investment income	4,923	-	4,923	89

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Expenditure

	Staff costs £	Non-pay expenditure Premises £	Other £	Total 2022 £	Total 2021 £
Academy's educational operations					
- Direct costs	22,104,057	-	4,872,416	26,976,473	22,883,769
- Allocated support costs	7,078,501	2,405,933	2,734,891	12,219,325	9,894,660
Exceptional expenditure	-	-	-	-	3,919,181
	<u>29,182,558</u>	<u>2,405,933</u>	<u>7,607,307</u>	<u>39,195,798</u>	<u>36,697,610</u>

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Fees payable to auditor for:		
- Audit	19,500	19,000
- Other services	25,441	13,483
Operating lease rentals	50,416	52,275
Depreciation of tangible fixed assets	435,198	391,463
Gain on disposal of fixed assets	(500)	(300)
Net interest on defined benefit pension liability	383,000	279,000

8 Central services

PDET has provided the following central services to its academies during the year:

- Education Support
- Estates
- Training
- Finance
- Accountancy
- HR & payroll services
- Legal support
- Safeguarding support
- Health & Safety support
- Procurement
- Pupil enrichment activities
- Diocesan SLA
- Data protection / GDPR
- Governance

PDET charges for these services on the following basis:

- flat 5% of GAG

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

8 Central services

(Continued)

The amounts charged during the year were as follows:

	2022 £	2021 £
Blakesley	26,102	24,556
Kislingbury	31,831	31,298
Oundle	78,584	72,375
St Mary's	65,287	60,888
Spratton	21,285	18,348
Trinity	27,650	25,320
Barby	26,588	25,304
Braunston	41,173	38,438
Collingtree	22,816	25,735
Cottingham	29,484	26,956
Cranford	22,412	21,901
Great Addington	22,459	22,390
Greens Norton	32,604	30,334
Isham	23,543	21,990
Loddington	22,888	21,842
Mears Ashby	18,838	17,429
Milton	21,903	21,188
Pytchley	23,387	23,926
Ringstead	24,303	22,064
Ryhall	40,576	35,016
St Andrews	69,868	64,343
St Barnabas	40,047	37,449
St James	93,280	88,087
St Luke's	84,854	81,332
Staverton	23,025	21,616
Towcester	81,301	72,000
Weldon	43,141	39,612
Head office	-	-
Silverstone	49,324	41,144
Guildsborough	29,395	29,402
Welford, Sibbertoft & Sulby	23,285	22,692
Freeman's Endowed C of E School	50,792	48,770
Sywell	23,282	11,556
William Law	129,162	28,875
	<u>1,364,469</u>	<u>1,174,176</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Direct costs				
Educational operations	246,037	26,730,436	26,976,473	22,883,769
Support costs				
Educational operations	186,673	12,032,652	12,219,325	9,894,660
	<u>432,710</u>	<u>38,763,088</u>	<u>39,195,798</u>	<u>32,778,429</u>
Analysis of costs			2022 £	2021 £
Direct costs				
Teaching and educational support staff costs			22,157,687	19,833,085
Staff development and other costs			16,014	99,233
Technology costs			339,565	500,323
Educational supplies and services			2,677,771	1,292,906
Other direct costs			1,785,436	1,158,222
			<u>26,976,473</u>	<u>22,883,769</u>
Support costs				
Support staff costs			7,078,501	5,548,760
Depreciation and profit/loss on sale of asset			434,698	391,163
Technology costs			334,766	384,761
Recruitment and support			862,976	651,301
Maintenance of premises and equipment			687,455	594,610
Cleaning			491,384	412,758
Energy costs			439,573	369,863
Rent, rates and other occupancy costs			120,007	125,327
Insurance			135,325	123,971
Security and transport			97,491	131,718
Catering			112,361	50,242
Finance costs			383,000	279,000
Legal costs			23,676	34,369
Other support costs			964,654	735,467
Governance costs			53,458	61,350
			<u>12,219,325</u>	<u>9,894,660</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

Staff costs

Staff costs during the year were:

	2022 £	2021 £
Wages and salaries	21,473,169	19,538,051
Pension costs	7,103,458	5,614,437
Staff costs	28,576,627	25,152,488
Agency staff costs	605,931	193,460
Staff development and other staff costs	69,644	135,130
Total staff expenditure	29,252,202	25,481,078

Staff numbers

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

	2022 Number	2021 Number
Teachers	339	331
Administration and support	564	592
Management	4	4
	907	927

Higher paid staff

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

	2022 Number	2021 Number
£60,000 - £70,000	8	8
£70,001 - £80,000	6	5
£90,001- £100,000	1	1

Severance payments

The academy trust paid four severance payments in the year, disclosed in the following bands:
0 - £25,000 4

Included in staff costs are non-statutory/non-contractual severance payments totalling £12,832 (2021: £40,508). Individually, the payments were: £3,467 and £9,365 (2021 £10,508 and £30,000).

Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team, as listed in the reference and administrative details section. The total amount of employee benefits (including employer pension contributions and employers national insurance contributions) received by key management personnel for their services to the Academy Trust was £375,726 (2021: £345,934).

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Directors' remuneration and expenses

One or more of the Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The CEO only receives remuneration in respect of services they provide undertaking the role of CEO under their contract of employment, and not in respect of their services as Directors.

The value of Directors' remuneration and other benefits was as follows:

Mrs R Walker-Green (CEO, Director)

- Remuneration £90,001 - £100,000
- Employer's pension contributions £15,000 - £20,000

During the year, travel and subsistence payments totalling £nil (2021: £nil) was reimbursed or paid directly to one individual.

Other related party transactions involving the Directors are set out within the related parties note.

12 Directors' and officers' insurance

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Governors from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £10,000,000. Under the scheme rules a Governor is defined as "Any member of an Academy Trust, a Director/Trustee of an Academy Trust, or a person who sits on a local governing body (a committee established for an Academy by the Academy Trust in accordance with its Articles)." It is not possible to quantify the Governors indemnity element from the overall cost of the RPA scheme.

13 Tangible fixed assets

	Leasehold improvements	Modular building	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 September 2021	1,982,765	-	1,138,286	1,564,151	61,741	4,746,943
Additions	-	46,543	60,364	41,281	17,995	166,183
At 31 August 2022	1,982,765	46,543	1,198,650	1,605,432	79,736	4,913,126
Depreciation						
At 1 September 2021	214,619	-	864,445	1,181,511	17,070	2,277,645
Charge for the year	67,268	3,103	159,797	193,460	11,570	435,198
At 31 August 2022	281,887	3,103	1,024,242	1,374,971	28,640	2,712,843
Net book value						
At 31 August 2022	1,700,878	43,440	174,408	230,461	51,096	2,200,283
At 31 August 2021	1,768,146	-	273,841	382,640	44,671	2,469,298

The Diocese of Peterborough retains the ultimate ownership of some of the land and buildings but the Local Authority retains ownership of the playing fields. Some of the Academies land and buildings are owned by other external trusts.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets (Continued)

14 Debtors

	2022 £	2021 £
Trade debtors	11,408	19,424
VAT recoverable	313,768	209,893
Other debtors	9	-
Prepayments and accrued income	519,928	491,654
	<u>845,113</u>	<u>720,971</u>

15 Creditors: amounts falling due within one year

	2022 £	2021 £
Government loans	25,401	21,278
Trade creditors	730,931	333,781
Other taxation and social security	372,307	373,580
Other creditors	487,260	521,297
Accruals and deferred income	2,309,488	1,754,987
	<u>3,925,387</u>	<u>3,004,923</u>

Included above is a loan of £6,804 from Department of Education which is provided on the following terms, interest at 2.22% per annum for seven years.

Included above is a loan of £15,223 from Department of Education which is provided on the following terms, interest at 2.13% per annum for seven years.

Included above is a loan of £3,374 from Department of Education which is provided on the following terms, interest at 9.93% per annum for seven years.

16 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Government loans	<u>132,927</u>	<u>119,500</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

16 Creditors: amounts falling due after more than one year (Continued)

	2022 £	2021 £
Analysis of loans		
Wholly repayable within five years	158,328	140,778
Less: included in current liabilities	(25,401)	(21,278)
Amounts included above	<u>132,927</u>	<u>119,500</u>
Loan maturity		
Debt due in one year or less	25,401	21,278
Due in more than one year but not more than two years	25,401	20,111
Due in more than two years but not more than five years	79,578	60,334
Due in more than five years	27,948	39,055
	<u>158,328</u>	<u>140,778</u>

Included above is a loan of £35,940 from Department of Education which is provided on the following terms, interest at 2.22% per annum for seven years.

Included above is a loan of £69,972 from Department of Education which is provided on the following terms, interest at 2.13% per annum for seven years.

Included above is a loan of £27,014 from Department of Education which is provided on the following terms, interest at 9.93% per annum for seven years.

17 Deferred income

	2022 £	2021 £
Deferred income is included within:		
Creditors due within one year	<u>1,389,759</u>	<u>993,381</u>
Deferred income at 1 September 2021	993,381	618,842
Released from previous years	(993,381)	(618,842)
Resources deferred in the year	<u>1,389,759</u>	<u>993,381</u>
Deferred income at 31 August 2022	<u>1,389,759</u>	<u>993,381</u>

Included in deferred income is the money received for the UIFSM grant for 2022-23 academic year. Additionally there is decarbonation grant income from the DFE in current year.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	27,587,832	(27,421,649)	(166,183)	-
UIFSM	-	863,853	(863,853)	-	-
Pupil premium	-	1,531,583	(1,531,583)	-	-
Other DfE/ESFA grants	213,237	1,487,367	(1,547,141)	-	153,463
Other government grants	-	1,010,831	(1,010,831)	-	-
Other restricted funds	-	677,281	(677,281)	-	-
Pension reserve	(21,824,000)	-	(3,142,000)	19,268,000	(5,698,000)
	<u>(21,610,763)</u>	<u>33,158,747</u>	<u>(36,194,338)</u>	<u>19,101,817</u>	<u>(5,544,537)</u>
Restricted fixed asset funds					
DfE group capital grants	1,251,819	2,550,121	(2,133,552)	-	1,668,388
Capital expenditure from GAG	2,469,298	-	(435,198)	166,183	2,200,283
	<u>3,721,117</u>	<u>2,550,121</u>	<u>(2,568,750)</u>	<u>166,183</u>	<u>3,868,671</u>
Total restricted funds	<u>(17,889,646)</u>	<u>35,708,868</u>	<u>(38,763,088)</u>	<u>19,268,000</u>	<u>(1,675,866)</u>
Unrestricted funds					
General funds	<u>4,214,789</u>	<u>958,705</u>	<u>(432,710)</u>	<u>-</u>	<u>4,740,784</u>
Total funds	<u>(13,674,857)</u>	<u>36,667,573</u>	<u>(39,195,798)</u>	<u>19,268,000</u>	<u>3,064,918</u>

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

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects PDET at the discretion of the Directors.

Restricted funds comprise all other restricted funds received and include grants from the Department for Education, Local Authorities and the sponsor.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department of Education where the asset acquired or created is held for a specific purpose.

Under the funding agreement with the Secretary of State, PDET was not subject to a limit on the amount of GAG that it could carry forward at the year end.

The Trust apply a reserves policy which allows pooling of all reserves and this is undertaken at the end of the financial year.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	-	23,644,998	(24,190,410)	545,412	-
Start up grants	-	25,000	(25,000)	-	-
UIFSM	-	791,106	(791,106)	-	-
Pupil premium	31,196	1,202,078	(1,233,274)	-	-
Other DfE/ESFA grants	262,160	2,516,601	(2,565,524)	-	213,237
Other government grants	-	1,017,489	(1,017,489)	-	-
Other restricted funds	-	354,005	(354,005)	-	-
Pension reserve	(13,034,000)	(2,576,000)	(2,010,000)	(4,204,000)	(21,824,000)
	<u>(12,740,644)</u>	<u>26,975,277</u>	<u>(32,186,808)</u>	<u>(3,658,588)</u>	<u>(21,610,763)</u>
Restricted fixed asset funds					
DfE group capital grants	742,042	1,261,222	-	(751,445)	1,251,819
Capital expenditure from GAG	2,430,927	-	(391,163)	429,534	2,469,298
	<u>3,172,969</u>	<u>1,261,222</u>	<u>(391,163)</u>	<u>(321,911)</u>	<u>3,721,117</u>
Total restricted funds	<u>(9,567,675)</u>	<u>28,236,499</u>	<u>(32,577,971)</u>	<u>(3,980,499)</u>	<u>(17,889,646)</u>
Unrestricted funds					
General funds	<u>3,925,412</u>	<u>4,632,517</u>	<u>(4,119,639)</u>	<u>(223,501)</u>	<u>4,214,789</u>
Total funds	<u>(5,642,263)</u>	<u>32,869,016</u>	<u>(36,697,610)</u>	<u>(4,204,000)</u>	<u>(13,674,857)</u>

Total funds analysis by academy

Fund balances for each academy as at 31 August 2022 and 31 August 2021 were zero, hence a breakdown by academy is not included in these accounts.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
Blakesley	362,435	78,390	52,180	102,713	595,718	546,635
Kislingbury	524,585	62,231	49,961	81,915	718,692	702,564
Oundle	1,168,782	224,323	105,590	295,951	1,794,646	1,747,372
St Mary's	1,079,759	144,768	88,535	239,074	1,552,136	1,533,367
Spratton	376,858	30,214	38,346	68,552	513,970	469,267
Trinity	428,290	64,218	42,079	109,169	643,756	638,415
Barby	380,870	43,551	65,145	101,690	591,256	635,739
Braunston	706,611	83,613	29,684	159,632	979,540	953,184
Collingtree	352,820	63,220	54,304	95,115	565,459	650,695
Cottingham	442,206	50,869	36,894	133,129	663,098	601,319
Cranford	349,219	58,106	48,257	96,506	552,088	530,743
Great Addington	339,981	47,339	38,085	88,972	514,377	499,014
Greens Norton	554,020	84,433	52,976	105,934	797,363	755,544
Isham	370,906	52,144	32,749	84,283	540,082	518,736
Loddington	339,710	60,266	38,145	79,607	517,728	546,476
Mears Ashby	331,081	41,437	29,820	69,780	472,118	448,409
Milton	350,647	41,354	44,869	79,826	516,696	507,738
Pytchley	383,867	56,517	44,112	101,084	585,580	589,094
Ringstead	408,915	76,172	34,707	76,584	596,378	579,640
Ryhall	602,902	116,218	63,700	181,067	963,887	891,904
St Andrews	1,179,613	200,957	106,938	220,071	1,707,579	1,588,219
St Barnabas	646,980	68,762	46,843	144,239	906,824	873,469
St James	1,950,406	254,140	100,844	263,837	2,569,227	2,442,892
St Luke's	1,324,339	90,978	58,731	417,163	1,891,211	1,803,005
Staverton	378,679	86,009	45,250	81,648	591,586	538,186
Towcester	1,408,053	147,212	158,834	180,563	1,894,662	1,625,381
Weldon	655,926	100,971	61,441	161,284	979,622	899,572
Head office	2,332	841,988	233,140	4,716,062	5,793,522	3,756,378
Silverstone	758,423	105,238	87,407	179,744	1,130,812	1,025,267
Guilsborough	463,685	76,512	48,195	75,659	664,051	702,700
Welford, Sibbertoft & Sulby	393,271	42,413	78,362	83,515	597,561	518,242
Freeman's Endowed C of E School	842,655	125,509	104,806	141,597	1,214,567	1,115,276
Sywell	368,182	37,839	54,478	86,839	547,338	281,483
William Law	2,013,557	524,226	211,614	848,073	3,597,470	871,342
	<u>22,240,565</u>	<u>4,182,137</u>	<u>2,387,021</u>	<u>9,950,877</u>	<u>38,760,600</u>	<u>32,387,267</u>

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	2,200,283	2,200,283
Current assets	4,740,784	4,211,777	1,668,388	10,620,949
Creditors falling due within one year	-	(3,925,387)	-	(3,925,387)
Creditors falling due after one year	-	(132,927)	-	(132,927)
Defined benefit pension liability	-	(5,698,000)	-	(5,698,000)
Total net assets	4,740,784	(5,544,537)	3,868,671	3,064,918

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	2,469,298	2,469,298
Current assets	4,214,789	3,337,660	1,251,819	8,804,268
Creditors falling due within one year	-	(3,004,923)	-	(3,004,923)
Creditors falling due after one year	-	(119,500)	-	(119,500)
Defined benefit pension liability	-	(21,824,000)	-	(21,824,000)
Total net assets	4,214,789	(21,610,763)	3,721,117	(13,674,857)

20 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire County Council and Rutland County Council. Both are multi-employer defined benefit schemes.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a normal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019.

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £2,756,428 (2021: £2,582,880).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.6% for employers and for employees a sliding scale from 5.5% to 12.5%.

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

Total contributions made	2022 £	2021 £
Employer's contributions	1,547,000	1,656,000
Employees' contributions	421,000	407,000
Total contributions	1,968,000	2,063,000

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.6	3.4
Rate of increase for pensions in payment/inflation	3.1	2.9
Discount rate for scheme liabilities	4.3	1.7

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

	2022 Years	2021 Years
Retiring today		
- Males	21.7	21.9
- Females	24.1	24.2
Retiring in 20 years		
- Males	23.7	23.9
- Females	25.8	25.9

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

	2022 £	2021 £
Discount rate - 0.1%	593,000	991,000
Mortality assumption + 1 year	937,000	1,552,000
Salary increase rate +0.1%	32,000	51,000
Pension increase rate (CPI) +0.1%	569,000	926,000

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

	2022 Fair value £	2021 Fair value £
Equities	12,205,000	11,332,000
Bonds	2,850,000	3,393,000
Cash	183,000	2,049,000
Property	2,493,000	219,000
Total market value of assets	17,731,000	16,993,000

The actual return on scheme assets was £(1,006,000) (2021: £2,659,000).

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations (Continued)

Amount recognised in the statement of financial activities	2022 £	2021 £
Current service cost (net of employers contributions)	2,759,000	1,673,000
Past service cost	-	58,000
Net interest cost	383,000	279,000
Total operating charge	3,142,000	2,010,000

The £16,126,000 decrease in the defined pension scheme liability from £21,824,000 to £5,698,000 comprises of operating costs of £3,142,000 and actuarial gain of £19,268,000.

Changes in the present value of defined benefit obligations	2022 £
At 1 September 2021	38,817,000
Current service cost	4,306,000
Interest cost	677,000
Employee contributions	421,000
Actuarial (gain)/loss	(20,568,000)
Benefits paid	(224,000)
At 31 August 2022	23,429,000

Changes in the fair value of the Academy Trust's share of scheme assets	2022 £
At 1 September 2021	16,993,000
Interest income	294,000
Actuarial loss/(gain)	(1,300,000)
Employer contributions	1,547,000
Employee contributions	421,000
Benefits paid	(224,000)
At 31 August 2022	17,731,000

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the reporting period (as per the statement of financial activities)	(2,528,225)	(3,828,594)
Adjusted for:		
Net surplus on conversion to academy	-	(57,161)
Net surplus on transfer of academy in the trust	-	(1,400,787)
Capital grants from DfE and other capital income	(2,550,121)	(1,261,222)
Investment income receivable	(4,923)	(89)
Defined benefit pension costs less contributions payable	2,759,000	1,731,000
Defined benefit pension scheme finance cost	383,000	279,000
Depreciation of tangible fixed assets	435,198	391,463
Impairment of tangible fixed assets	-	3,919,181
Profit on disposal of fixed assets	(500)	(300)
(Increase)/decrease in debtors	(124,142)	87,904
Increase in creditors	916,341	697,023
Stocks, debtors and creditors transferred on conversion	-	(176,756)
Net cash (used in)/provided by operating activities	(714,372)	380,662

22 Analysis of changes in net funds

	1 September 2021 £	Cash flows £	31 August 2022 £
Cash	8,083,297	1,692,539	9,775,836
Loans falling due within one year	(21,278)	(4,123)	(25,401)
Loans falling due after more than one year	(119,500)	(13,427)	(132,927)
	7,942,519	1,674,989	9,617,508

23 Capital commitments

	2022 £	2021 £
Expenditure contracted for but not provided in the accounts	1,639,240	-

Of the total commitment £233,851 is to be paid by the Trust, the remaining amount will be funded by a grant.

PETERBOROUGH DIOCESE EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Long-term commitments

Operating leases

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

	2022 £	2021 £
Amounts due within one year	48,198	55,576
Amounts due in two and five years	45,675	74,016
Amounts due after five years	13,111	-
	<u>106,984</u>	<u>129,592</u>

25 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the Academy Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

Goods and services totaling the following amounts were purchased from related parties:

£46,198 (2021: £53,599) from Diocesan Board of Finance, in which a Trustee has an interest. The nature of the transaction related to staff time and SLA recharges. There was £620 (2021: £nil) outstanding at the year end.

None of the parties identified above had any influence or any involvement in the procurement process in any way.

In entering into these transactions, the Academy Trust has complied with the requirements of the Academies Trust Handbook 2022.

26 Members' liability

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