

PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3
Statement of Trustees' Responsibilities	24
Independent Auditors' Report on the Financial Statements	25 - 28
Independent Reporting Accountant's Report on Regularity	29 - 30
Statement of Financial Activities Incorporating Income and Expenditure Account	31
Balance Sheet	32
Statement of Cash Flows	33
Notes to the Financial Statements	34 - 66

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Bond W den Breejen G Chilcott E Griffiths D Perry (SDBE Corporate Member representative) P Hughes (appointed 8 January 2023)
Trustees	R Ward, Chair ¹ G Clark, Vice Chair/Chair of School Improvement Committee ² J Passmore, Chief Executive ^{1,2} R Alderman ² A Hall, Chair of Finance, Resources and Risk Committee ¹ R Hayday ¹ S Khimji ¹ D Powell ² L Townsend ² P Vincent ² ¹ Finance, Resources and Risk Committee ² School Improvement Committee
Company registered number	07557894
Company name	Pickwick Academy Trust
Principal and registered office	Corsham Primary School Pound Pill Corsham Wiltshire SN13 9YW
Accounting Officer	J Passmore
Senior management team	J Passmore, Chief Executive Officer E Oldale, Business Director G Cooke, Executive Headteacher J Fountain, Executive Headteacher A Tapscott, Professional Development Director R Bone, Executive Headteacher R Picton, Executive Headteacher
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Bankers Lloyds Bank Plc
 29 High Street
 Chippenham
 Wiltshire
 SN15 3HA

Solicitors Browne Jacobson
 3 Piccadilly Place
 Manchester
 M1 3BN

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

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

The Academy Trust operates 9 primary academies for pupils aged 4 to 11 across Wiltshire and North Dorset. Its schools have a combined pupil capacity of 3100 and had a roll of 2916 in the October 2023 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 1 August 2017 and is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Pickwick Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Pickwick Academy Trust.

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

Trustees' Liability

Each Trustee 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 Trustee, or within one year after they cease to be a Trustee, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a Trustee.

Trustees' Indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £10,000,000 on any one loss or in any one membership year.

Method of recruitment and appointment or election of Trustees

When appointing new Trustees, the Board has considered the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development. A formal Board Self-Evaluation process is undertaken every year to assess skills/experience, identify any gaps to be addressed in future appointments, and ensure roles and responsibilities set out in the Trust's Scheme of Delegation are fully understood and delivered on.

New Trustees, or those applying to serve a second term are required to submit an expression of interest setting out their skills and experience to the Chair of the Trust Board. Members review the applications and run the recruitment process, consulting the Salisbury Diocesan Board of Education if Trustees are applying to fill foundation Trustee vacancies, before making the final decision on appointments.

The Academy Trust has the following Trustees as set out in its Articles of Association, funding agreement and scheme of delegation: 10 Trustees (five foundation and five non-foundation), one of the non-foundation being the Chief Executive Officer.

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

Policies and Procedures adopted for the Induction and Training of Trustees

There are job descriptions in place for the Chair of the Trust Board, Trustees and Local Governance Committee members which ensure that all are aware of their roles and responsibilities. The Trust Constitution document and Scheme of Delegation outline the methods for the recruitment, induction and training of new Trustees and members of Local Governance Committees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the schools and a chance to meet Executive Headteachers, Heads of School, staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees through the online software system Governor Hub. Due to the infrequency of Trustee appointments, induction tends to be done informally and is tailored specifically to the individual, but it based on the Trust's Induction Policy and induction checklist. All new Trustees are assigned a mentor who oversees the induction process and ensures the new Trustee checklist is completed.

Training events are provided on a regular basis across the year by recognised governance trainers and members of the Executive Team which keep the Trustees updated on relevant developments impacting on their roles and responsibilities and additional working groups provide the opportunity to consider and discuss the future developments for the Trust.

Organisational Structure

As a minimum The Board of Trustees meets at least once each term. The Board has established an overall framework for the governance of the schools and determines membership and terms of reference for Governors. The Scheme of Delegation, and 'roles and responsibilities' summary set out in an appendix, clearly defines the organisational structure and roles/responsibilities of each layer of governance. Additionally, the Board has agreed a Code of Practice and a Local Governance Committee Handbook which gives Local Governance Committees detailed information regarding working practices. The Academy Trust comprises nine primary schools. Trustees receive reports and minutes from its Local Governance Committees via Governor Hub and a detailed Headteacher Report which outlines important information appertaining to the performance of each school. In addition, reports from the Chief Executive Officer, Business Director and other members of the Executive Team are brought to the Board and its committees. A Trust Heatmap is used to provide an overview of educational and business operations performance in all schools and across the Trust.

There are two committees as follows:

- **Finance Committee** – this meets 6 times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and receiving reports from the Responsible Officer, Business Director and Internal Assurance alongside drafting the annual budget including setting staffing levels. It incorporates the role of an audit committee.
- **School Improvement Committee** – this meets 6 times a year to monitor, evaluate and review academy Trust policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The Board may from time to time establish additional Working Groups/Panels to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chair and/or Vice Chair, to appoint the CEO/Executive Headteacher/Headteacher/Head of School and Clerk to the Trustees, and to approve the Annual Trust Development Plan and budget.

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

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

The Board of Trustees have devolved responsibility for day-to-day management of the Trust's schools to the Trust Executive Team, the Local Governance Committees, and Executive Headteacher/Headteacher/Head of School/Senior Leadership Team (SLT). Each school's SLT comprises the Executive Headteacher, Headteacher/Head of School, Deputy Headteacher and/or Assistant Head-teachers, and the School Business Manager (if appropriate). The SLT implement the policies laid down by the Trustees and report back to them and the Executive Team on performance.

The CEO is the Accounting Officer of the Trust.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider that the Board of Trustees and the Executive Leadership team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

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

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees use external HR Support to benchmark against pay levels in other Academy Trusts of a similar size.

Trade union facility time

There were no relevant union officials for the year/period ended 31 August 2023.

Related Parties and other Connected Charities and Organisations

The Trust has been the lead strategic partner of the new Teaching School Hub for Swindon and Wiltshire. The Trust has strong collaborative links with other Trusts and schools in the area and enjoys positive partnership working with the Salisbury Diocesan Board of Education.

Engagement with employees (including disabled persons)

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

- Consulting with employees on key matters, including engaging the relevant union officials
- Consulting directly with staff on key policy changes and seeking feedback
- Regular meetings with senior leaders which include - fortnightly executive team meetings, fortnightly business development team meetings, fortnightly Heads meetings and termly cluster groups for education, business and administrative staff.
- Whole teaching team professional development training
- Executive team attend key cluster and development groups, as well as Local Governance Committees.
- A staff representative is in place on each Local Governance Committee
- Regular updates are provided to all staff, via email and website news, and face to face through conferences, including both financial and non-financial performance
- A Trust-wide satisfaction survey (completed online with additional 1:1's) has been completed in 2023 and the results will inform the development of the Trust People Strategy.
- Staff training days; including sharing the vision of the Trust and the Trust Development Plan (Trust priorities shared with leaders during appraisal process).

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

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

Pickwick Academy Trust receives over 90% of its income from government sources and as such ensures that its procurement procedures are in line with The Academy Trust Handbook.

Services such as Catering, Cleaning, Grounds Maintenance, Gas, Power, Telephony and IT support are procured on a Trust wide or hub wide basis wherever possible and the Trust has successfully utilised the support of Get Help Buying for Schools, Crescent Purchasing Consortium and other Government approved frameworks to ensure both compliance and best value.

As a Trust we have increased the importance of the provision of information relating to environmental performance and/ or sustainable practices when purchasing goods and services and schools are encouraged to use local companies wherever best value is demonstrated in order to support their local communities.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Pickwick Academy Trust aims to achieve the best for, and from, each child. We intend to enable each child to realise their full academic, creative and physical potential and to develop positive social and moral values.

Our founding principles for the Trust are:

- We join as equal partners, and recognise the expertise & skills that each school brings to the MAT;
- We find common-sense solutions to the issues that we all face, while keeping what is best for the children at the heart of our decision-making processes;
- We work openly with each other and are 'outward-facing' in our approach, offering support to other schools in challenging circumstances;
- We all share the responsibility to ensure all pupils within the MAT realise their potential;
- We openly support each other in all aspects of school improvement – sharing expertise & best practice;
- We ensure that conditions of work for our staff are in the best interests of the school and well-being;
- We believe that each school should retain its unique identity and reflect the needs and aspirations of its local community;
- We are committed to expanding to enable other schools to share expertise and gain from ours;
- We encourage diversity of approach and recognise that Local Governance Committees need the freedom to manage in the best interest of their own school;
- Making efficiency savings to ensure investment remains in quality teaching and learning.

Our vision: To work together to provide the best schools and outcomes for our children

Our Strategy:

- **Harness our collective expertise** to drive school improvement and realise the best for all children and adults working and learning in our schools
- **Celebrate and communicate the successes** in our schools to encourage aspiration and innovation
- **Provide support and challenge** for each school so that every child meets their full potential
- **Recognise and celebrate each school's uniqueness**, and the enduring Christian distinctiveness of our church schools, valuing all members of our Trust family

Our Mission:

- **Team:** We work together as an inclusive family so that each school is supported and held to account for the attainment and progress of every child to enable them to meet their full potential and to ensure the highest quality teaching and leadership for our children.
- **Approach:** We provide robust support and challenge for each school on its individual journey of improvement, seeking common-sense solutions from within and outside our Trust.

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

- **Celebrate:** We celebrate the successes and unique characteristics of each school, encouraging aspiration and innovation for all, providing systems that support opportunities for those working and learning in our schools.
- **Together:** We share responsibility and harness our collective expertise, experience and spirituality to drive school improvement and achieve the best possible outcomes for all by sharing ideas and best practice to ensure all schools within our Trust are successful.
- **Future:** We are committed to sustainable growth, to provide the best outcomes for the communities we serve now and in the future by aligning and resourcing central services and succession planning to ensure investment remains in quality teaching, learning and leadership.

Our values:

Our vision, strategy and mission is underpinned by our moral purpose to provide the best education and curriculum for the children we serve, and is based on the values of: aspiration; collaboration; inclusion; enjoyment and nurturing relationships, with the intention of empowering children to become life-long learners, global citizens and deep thinkers.

We provide a strong ethical framework that enables children to make thoughtful, positive choices, and we are committed to providing a high quality and educationally stimulating learning environment, led by exceptional and dedicated staff.

Objectives, Strategies and Activities

The Trust Board has a detailed Strategic Business Plan which drives the focus of our work, and is available to view from the Trust offices. In addition, the Trust has developed an annual Trust Development Plan with clearly defined objectives and key performance indicators.

Trust Development 10 Key Improvement foci identified and evaluated for 2022/2023:

Trust Development Plan – 2022-2023 - Evaluation	
1. Continue to improve outcomes: Reading, Phonics, Writing, Greater Depth	Yellow
2. Disadvantaged Learners: relentless focus on providing the best education for DL	Green
3. Develop Pupil voice and opportunities for pupils to come together across the Trust	Green
4. Attendance Strategy: increasing attendance and reducing persistence absence	Green
5. Embed People Strategy initiatives; support for cost of living crisis; staff benefits	Green
6. Embed new Head of HR role, and implement streamlined HR processes	Green
7. Integrate Gillingham Primary School; support growth conversations in 2/3 more schs	Green
8. Implement IT systems so staff can connect and share resources easily across Trust	Yellow
9. Embed new Head of Finance role; address energy costs and salary increases impact	Green
10. Develop Environment Strategy to proactively reduce energy and carbon usage	Green

Public Benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

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

STRATEGIC REPORT

Achievements and Performance

The Trust has completed its sixth full year of operation. It has grown in pupil numbers and classes, and it has continued to develop its school improvement offer and services. The Trust has audited activity and provision across its academies and has identified key successes and areas for further development.

On 1 December 2022, the Trust welcomed Gillingham Primary School into its family of schools taking its number of schools to 9, numbers of staff to approximately 450 and pupil numbers to nearly 3000.

Academic KPI's were set at the start of the academic year and have been regularly monitored and reviewed internally by the Board. The Trust's schools have performed well, outperforming Wiltshire and Dorset schools and national figures with GLOD, Phonics and KS1 data outcomes, and above the LA figures and in line with national for KS2 outcome data. Disadvantaged Learner outcomes continue to be a focus for us.

The executive team, school leaders and staff across all our schools have once again stepped up brilliantly to continue to manage the post-pandemic situation especially with regards to staffing and pupil attendance; managing anxiety and workload; increased expectations around parental involvement, engagement and communication; managing parent/carer expectations, a significant increase in challenging behaviours exhibited by children, and the increased requirements around risk mitigation routines that our teams have had to deal with this year.

In addition to leading our schools through the post pandemic landscape, we have also successfully managed the following:

- Successful conversion and transition of Gillingham Primary School
- Central team capacity further developed to build further growth in line with Secretary of State's announcement that all schools should be in a strong family of schools – 6 schools are forecast to join us in December 2023 (showing the confidence the DfE have in us as a Trust)
- Local Governance Committees have all self-evaluated against their roles and responsibilities set out in the Scheme of Delegation again, and all have Governor Development Plans in place
- A second Trust-wide staff survey has been carried out – results and feedback shared at October 2023 Board meeting
- Further developed the Trust as an 'employer of choice'; a primary-focussed organisation; a Trust committed to strong, on-going professional development at all levels
- Church Schools Flourishing work – huge progress and impact
- Team Around the School approach for school improvement in schools in challenging circumstances is embedded and having strong impact
- Trifecta of Heads of Business Services now in place (Head of Finance, Head of HR and Head of Facilities) to support Business Director
- Strong Single Central Record management in place across all schools across the Trust
- All new policies are now in the Trust format; policy schedule is well-embedded
- Implementation of a strong Trust-wide Educational Psychologist – very strong feedback from schools
- New Professional Development Director Admin Assistant role has been hugely impactful
- Unified IT contract across almost all schools – staff can now connect easily wherever they are and IT security level is improved.
- Impactful pupil-led peer reviews in both hubs (Rights Respecting Award and Sustainability focus)
- Transition from previous to new GDPR provider has identified good practice and further key areas for development have been identified through this process
- My New Term recruitment application tracker system now in place and utilised effectively
- Pupil Premium reviews have taken place across all schools via external consultant; colleagues trained internally so they can carry out the next round of reviews
- Strong and embedded professional learning communities
- Curriculum development with curriculum leads across schools have met three times to support the leadership of curriculum across the Trust

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

- Assessment working party has researched the best approach to assessing the foundation subjects and has devised a series of quizzes which are accessible to all schools
- Subject leader toolkit in place ready to embed next year
- Padlets used effectively to showcase curriculum areas – received well by Ofsted
- Governor training offer; well attended with video recordings highly watched – increasingly led by colleagues within the Trust
- Heads and executive team meeting in a hybrid way; meeting face to face this year has helped contextualise our schools and has provided opportunities for colleagues to visit each other's schools
- New Trust-wide phone contract procured and launched to enable quicker communication between schools alongside Trust project to move all schools to one Office 365 tenancy.
- 3 Year Costed Premises Development plans in place and utilised to identify key projects in each school and those requiring central team oversight or support.
- Stable and secure LGCs with the majority of vacancies filled; lots of governor induction training delivered
- Disadvantaged Learners focus and priority this year – multiple impact assessment case studies carried out and shared
- Strong and impactful executive team; very supportive and committed to collaboration to ensure the very best provision and outcomes for the children across the Trust (all supporting schools in challenging circumstances)
- Deeply embedded the curriculum strategy and approaches so that staff, leaders, governors and Trustees can articulate clearly 'what we want the pupils to achieve'; all schools have made significant progress on developing and embedding their curriculums working alongside Lighting Up Learning; governors well-versed and ready for inspections
- Further developed and built on our identification and deployment of talent strategically across the Trust to solve school improvement and leadership challenges
- Supported school improvement activity in three 'Requires Improvement' schools outside the Trust through the DfE School Improvement Programme
- Another strongly Good Ofsted outcome at one of our schools
- Continued positive impact on school improvement through evolved EHT visits – deep dives, learning walks, safeguarding; schools feel very well supported and appreciate this support
- Pickwick Tech Team embedded and having strong strategic impact across the Trust (each school has a strategic plan in place and is working closely with Oakford through our Chief Technical Officer at the company)
- Continued strong support for LGCs and provision of a series of bespoke, high-quality, well-attended governor training sessions; sessions recorded and well watched post session
- Further development of strong cluster groups and professional learning communities across the Trust; subject leaders are collaborating well, feel part of a group and well supported
- Very well attended and received Pickwick Trust-wide staff training day
- Strong curriculum leaders group embedded; sharing great practice and learning environment development across the Trust
- Another year of high-quality and well-attended inspirational leadership talks have taken place (these are open to schools outside the Trust and promote our work and growth plans):
- Excellent examples of impactful moderation across the Trust
- Continued impactful, well-attended and appreciated executive coaching for Trust leaders and Heads from external professional coach; now extended to Deputy Heads and SENCOs.
- Successful Health & Safety audits across the Trust – strong H&S processes and practice embedded
- Safeguarding a real strength in all schools (regularly reviewed by EHTs and backed up by another Ofsted visit)
- Trustees have had a high visibility through visits to schools, attendance at training sessions, in their support at LGC level for two of our schools
- Very strong sustainability cluster attended by representatives in across the Trust; great interconnectedness of business and education strands resulting in the production of the Trust Environment strategy.
- Ongoing very strong collaborative and partnership working taking place with other Trusts

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. This shows a strong position, above the level required by the reserves policy.

As funding is based on pupil numbers this is also a key indicator of Trust financial success. Pupil numbers across the Trust have risen from 2,623 in October 2021 to 2,633 in October 2022 and 2,645 in October 2023 (excluding Gillingham for comparison purposes) with Queen's Crescent and Ivy Lane nearly full and Greentrees oversubscribed.

Financial KPI's

The Trust continues to monitor schools against a set of Financial KPI bands to enhance knowledge of the circumstances or issues at each school that may lead to it operating outside of the band and where necessary provide support or challenge.

The position at the end of August 2023 is as follows:

	Aloeric	Corsham	Gillingham	Greentrees	Ivy Lane	Ludwell	Pitton	Queen's	Winterslow	Trust KPI parameters
Total staff costs per pupil - as at October 2022 Census	4,260	4,128	4,449	4,659	4,619	4,532	5,877	3,759	3,938	
Total staff costs as a % of total income	77%	74%	71%	74%	83%	66%	70%	69%	71%	
Total staff costs as a % of total exp	76%	73%	82%	73%	75%	70%	73%	72%	70%	74 - 78%
Total staff costs excluding cleaning & catering as a % of total expenditure	76%	73%	78%	73%	73%	68%	69%	72%	70%	
Pupil/Teacher ratio - lagged pupil numbers (Oct 2021 census)	20.0	22.1	23.5	20.2	22.3	21.4	13.8	22.5	21.6	20.5 - 22.5
Pupil/Teacher ratio - Oct 2022 census pupil numbers	20.8	22.0	20.8	20.0	22.7	22.5	14.5	22.3	20.6	20.5 - 22.5
Senior Leaders as % of total expenditure	9%	10%	10%	6%	8%	12%	17%	10%	12%	
Senior Leaders as % of staff	6%	7%	6%	10%	5%	10%	14%	7%	10%	9 - 10.5%
Teachers as % of total expenditure	48%	48%	42%	48%	42%	42%	52%	48%	48%	45.5- 48.8%
Ed support costs as % of total exp	16%	14%	26%	15%	20%	17%	9%	15%	14%	16 - 20%
Admin staff as % of total expenditure	4.6%	6.0%	4.4%	3.4%	4.1%	6.4%	5.5%	4.4%	4.2%	Less than 6%
Teaching resources as % of total exp	2.7%	4.8%	3.0%	4.7%	5.5%	3.7%	5.0%	4.0%	5.3%	4 - 6%
CPD as % of total expenditure	0.4%	0.4%	0.1%	0.2%	0.4%	1.3%	0.4%	0.5%	0.8%	0.5 - 1%

Going Concern

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

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

PROMOTING THE SUCCESS OF THE COMPANY

The Trustees of Pickwick Academy Trust act in a way most likely to promote the success of the company by always considering the reputation of the Trust in their decisions and by working within the requirements of the ESFA Academy Trust Handbook and focussing on:

- Ensuring clarity of vision, ethos and strategic direction
- Holding executive leaders to account for the educational performance of the organisation and its pupils, and the performance management of staff
- Overseeing and ensuring effective financial performance

The Trust engages with its employees through many means and methods, including consultation regarding key matters and policy changes, regular meetings and cluster groups, staff training days, professional development training and the provision of regular updates to staff via meetings, email and website. In addition, the Trust is currently developing a newsletter to further enhance communication with team members in each school. An external staff satisfaction survey was again completed during the summer period and will enable the Trust to further develop its People Strategy for all employees with the inclusion of a staff wellbeing hub and increased opportunities for support, recognising the impact of pressures on staff.

The Trust recognises the importance of each school in the locality that they serve. The Local Governance Committees represent the community and are responsible for engagement with parents and the wider community.

We have now published our Environmental strategy which provides clear information as to our plans to reduce consumption and support sustainable practices and networks in our local area.

The Trust has a well-established Growth Strategy which has been communicated to the Department for Education and schools locally and has enabled the Trust to be in a position to welcome six schools at the end of the year and to move to a three-hub model across Wiltshire and North Dorset.

We have a Financial Procedures Manual to ensure robust financial processes and transactions are in place and we have published a comprehensive Trust Handbook which is available on our website, alongside several other documents and other information which promotes the Trust.

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2023, the Academy received total income of £20,727,920 and incurred total expenditure of £17,432,336. The excess of income over expenditure for the year was £3,295,584.

At 31 August 2023 the net book value of fixed assets was £26,689,092 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.

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

The land, buildings and other assets of Gillingham Primary School were transferred to the Trust upon conversion when they joined the Trust in December 2023. Land and buildings were valued on conversion at £3,941,222. The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in note 3 to the financial statements.

Key financial policies adopted or reviewed during the year include the Pay Policy, Investment Policy and Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board, Executive Team, Senior Leadership teams at each school, managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trust reviews the reserve level requirement of the Trust on a regular basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees take into consideration the future plans of each school, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately 5% of total income. For our Trust of 9 schools this equates to approximately £854,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or a fall in pupil numbers resulting in smaller class sizes but not wanting to lose a teacher and prevent future growth. Total reserves of the Academy Trust amount to £28,376,276 (excluding the defined benefit pension liability), although £26,996,246 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £1,371,030 (representing £1,341,979 unrestricted funds and £29,051 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents just under 1 months of normal recurring expenditure, or 7.2% of total income. Committed spend on projects that were not completed at the end of August 2023 amounts to approximately £192,000 which would have reduced the reserves level to 6% as at year end. The majority of these projects will be completed by April 2023 as some require work in the school holidays.

The Trustees have reviewed the future plans of the Trust and have agreed to utilise unrestricted reserves to provide contributions towards two 2024/2025 Condition Improvement Fund bids for roofing projects approximate cost £130,000.

The defined benefit pension scheme reserve has a deficit balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

Due to the nature and timing of receipt of funding, the Academy Trust may at times hold cash balances surplus to its short term requirements.

The Trust will exercise caution in all investments, reducing risk and ensuring that it acts with utmost integrity when selecting suitable investments. Funds will only be placed in deposits with a maturity date of 12 months or less with banking institutions that have a good credit rating and that are regulated by the Financial Conduct Authority and the Prudential Regulation Authority to take advantage of higher interest rates. These are authorised by the Trustees. No other form of investment is authorised.

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

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

- Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 93% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.
- Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. To support us further we have previously sought support from a SRMA advisor and have appointed a new Internal Assurance provider in October 2023 who will work alongside other external professionals to review the risks highlighted in the Trust risk register.
- Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil's success and achievement are closely monitored and reviewed, through the School Improvement Committee, the work of the Executive team and school leaders, and Local Governance Committees.
- Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline across Trust schools.
- Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning in place and wellbeing support provided.
- Fraud and mismanagement of funds - The Trust has appointed an Internal Assurance firm to carry out checks on areas including the financial systems and records as required by the Academy Trust Handbook. All finance staff receive training and support to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has benefitted from further strengthening its risk management process and has again improved and evolved the process, raising its profile across all levels of governance in the Trust. A risk register is maintained, scrutinised and updated on a regular basis for risks across the Trust education and business fields and is a standing item on every Finance and School Improvement Committee meeting agenda, as well as at each Board and Local Governance Committee meeting to ensure that Trustees are aware of the latest position and the effect of the mitigation methods put in place.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health of the Trust formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments and additional funds are invested where possible.

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimized.

FUNDRAISING

The Trust and its Trustees do not undertake any formal fundraising activities. However, each school within the Trust engages in fundraising activities through their Parent Teacher or Friends Associations.

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

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023	Current reporting year 2022/23	Comparison reporting year 2021/22 (figures are for illustrative purposes)
Energy consumption used to calculate emissions (kWh)	1,839,581	1,814,207
Scope 1 emissions in metric tonnes CO ₂ e		
	204.285	206.343
Gas consumption	22.046	11.537
Kerosene consumption	0.000	11.586
Gas Oil consumption	0.940	0.389
Owned transport	227.272	229.856
Total Scope 1		
Scope 2 emissions in metric tonnes CO ₂ e		
	121.396	110.066
Purchased electricity		
Scope 3 emissions in metric tonnes CO ₂ e		
	10.553	5.232
Business travel in employee-owned vehicles	10.503	10.069
Purchased electricity (transmission and distribution)		
Total gross emissions in metric tonnes CO ₂ e	369.724	355.223
Intensity ratio Tonnes CO ₂ e per pupil	0.127	0.135

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

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

Measures taken to improve energy efficiency

Aloeric Primary School	Replacement windows and doors
Corsham Primary School - Broadwood Site	Boiler Tuning, LED lights
Corsham Primary School - Pound Pill	Summer Hot Water heating drastically reduced, clear instructions on summer/winter heating settings, LED lights
Greentrees Primary School (Junior)	Quotes obtained to complete LED Light work in 2023/24. Ongoing research and implementation of adjustments to reduce energy consumption.
Greentrees Primary School (Infant)	Quotes obtained to complete LED Light work in 2023/24. Ongoing research and implementation of adjustments to reduce energy consumption.
Ivy Lane Primary School	LED Light panels fitted in Dining hall. Replace light fittings in Yr6 block. Water heater replaced in staff toilet and girl's toilet main building
Ludwell Community Primary School	None
Pitton Church of England (VA) Primary School	LED Lighting started to be installed
Queens Crescent Primary School	A Dimplex Air Source Heat Pump water heater has been installed in the school to provide hot water. This has replaced the previously installed Andrews Hot Water heater which was gas fired.
Winterslow CE Aided Primary School	Insulation added above ceilings and ceiling tiles
Gillingham Primary School	Gas geometer installed

Alongside this a project has been underway to research the possibility of additional solar panel installations across the Trust. We now have a chosen provider and a plan to complete the majority of this work by the end of August 2024.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels across its schools. Each school will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

Each Trust school will continue to work with partner schools to improve the educational opportunities for pupils in the wider community.

The Trust is committed to a growth programme with its strategic ambition of expanding to 19-22 schools within 3-4 geographically proximate 'hubs' over a five-year period (2021-2026), and up to 32 schools by 2030 and the Executive Leadership Team structure has been recently evaluated and changed to accommodate this growth.

At the time of writing six schools are committed to joining our Trust this financial year and we look forward to working with them over the coming years.

Due to our success in working with other schools, Pickwick Academy Trust is having evolving conversations with several schools local to our existing hubs which has led Trustees to feel confident that growth targets will be achieved over the next few years.

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

Our Trust Development Plan Priorities for 2023-2024:

Trust Development Plan – 2023-2024 - Priorities

1. Improve overall Trust-wide end of KS2 **pupil outcome data**
2. **Disadvantaged Learners**: continue relentless focus providing the best education for DL
3. Further develop **pupil voice** and opportunities for pupils to come together across Trust
4. Ensure our provision of **wider support services** for pupils and families is really strong
5. Fully integrate and support the **six joining schools** in the south hubs
6. Deploy **maths specialists** to improve consistency and drive standards
7. Launch a new **termly staff newsletter** to help staff feel connected & access information
8. Identify further ways to support staff **workload and wellbeing** across the Trust
9. Ensure **central education and business teams** are well-resourced and have capacity to support and challenge across our larger organisation
10. The **Environment Strategy** proactively reduces energy and carbon usage across Trust

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

Corsham Primary School holds a staff social fund for purchases of gifts for staff. This is funded by donations from staff.

AUDITOR

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, was signed on the Board's behalf by:



R Ward

Chair of Trustees

Date: 14th December 2023

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Pickwick Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
James Passmore	8	8
Rob Ward	8	8
Gill Clark	8	8
Andrew Hall	7	8
Paul Vincent	7	8
David Powell	7	8
Sonal Khimji	4	8
Rob Hayday	5	8
Rachel Alderman	6	8
Liz Townend	3	8

Pickwick Academy Trust is designated by the DfE as an Academy sponsor and it is the Board's ambition to grow the Trust to an organisation of 19-22 schools by 2026, and up to 32 schools by 2030. An appropriate governance structure has been put into place in readiness for this growth, this includes the involvement of Local Governance Committees and a geographically organised two-hub model where schools in different areas can work together. This two hub model will be scaled up to 3 next year, and further hubs as required.

The Trustees have overall responsibility and ultimate decision-making authority for all the work of the schools and Trust.

The day-to-day management and responsibility for the running of the Trust and Pickwick Learning external support work has been delegated to the Chief Executive Officer (CEO), who is supported by a Business Director and Professional Development Director. Three Executive Headteachers and a South Hub Executive Leader have led on school improvement and are directly accountable to the CEO. The CEO has held fortnightly Executive Team meetings with executive staff to ensure communication lines are strengthened across the Trust, and meets with Heads of Schools/Headteachers fortnightly too.

The Board is further supported by Local Governance Committees made up of governors who are appointed at local level. The Local Governance Committees focus on the day-to-day life of the school and are there to ensure the staff working in each school are supported and challenged when necessary, and the needs of the pupils are met ensuring every pupil receives the best possible education. The Local Governance Committees represent the community and are responsible for engagement with parents and the wider community. Whilst the Trustees have overall responsibility and ultimate decision-making authority for all the work of the schools,

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

and the standards achieved by the pupils, Local Governance Committees ensure the vision of the Trust is realised.

The Trustees fulfil their responsibilities through strategic planning and by the setting of policies and standards as well as taking responsibility for the oversight and management of risk. The Trustees have the power to direct change where required. The Trustees act independently and in the best interests of the Trust; they are accountable to the Regional Director for South West, the Secretary of State for Education and to the communities that they serve. Irrespective of a person's role or method of appointment, Trustees are responsible individually and collectively for the schools and use their skills and experience in undertaking a role on the Board.

No new Trustees or Members have been appointed during 2022-2023.

The Trust holds a Registers of Interests for all Trustees and Local Governance Committees. Pecuniary and Business Interest Forms are also completed by all members of the Executive Team, members of school Senior Leadership Teams, Finance Managers and key members of the Trust central team. Interests are reviewed at every Trust and committee meeting to ensure they remain up to date and all transactions or contracts involving a potential conflict of interest are brought to the Finance, Resource and Risk Committee for discussion and decision and advised to the government via their online reporting process.

Governance Review

We have reviewed the skillsets and experiences of our Trustees through the NGA skills audit, and have carried out a review of the Trust using the MAT Assurance Framework – this will be externally verified next year by an experienced Trust leader from outside our organisation.

Using our Scheme of Delegation summary of roles and responsibilities we have created a Local Governance Committee self-evaluation framework which all LGCs have completed. Collated results have been presented to the Board, and actions identified in each school's Governor Development Plans.

The Board has carried out an internal self-evaluation of its Board of Trustees using its Scheme of Delegation, and has worked through the actions on the Board Development Plan for 2022-2023. Trustees are exploring commissioning an external review of the effectiveness of the Board. Particular issues reviewed in the year included the latest Trust staff survey which will inform a revised Trust People Strategy, approval of the three year financial plan and pre-due diligence reviews of the six schools that we now look to welcome into the Trust in 2023/2024.

Finance Committee

The Finance, Risk and Resources committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the finance, risk, health & safety, premises areas of Trust business. It also operates as the Audit Committee. Specific issues dealt with during the period included CIF Bid review and approval, allocation of investment funds to projects, internal audit reviews covering elements of Finance, Health and Safety and risk, procurement for items including the External Audit contract and the review of the new 3-year maintenance plans and overall Trust financial plan prior to submission to the Board.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
James Passmore	6	6
Andrew Hall	6	6
Rob Ward	6	6
Rob Hayday	5	6
Sonal Khimji	3	6

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

The School Improvement Committee

The School Improvement Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee the school improvement, safeguarding and staffing areas of Trust business and hold the executive team to account for the educational performance of all schools. They receive detailed reports from the EHT visits which take place 12 times a year in every school, as well as EHT summary reports. A Team Around the School approach has been used successfully in two schools to provide further detailed support and challenge, the action plans for which are led by different members of the executive team and are scrutinised by Trustees. Trustees on the School Improvement Committee attend where appropriate certain Local Governance Committees to provide additional support and challenge, and to see first-hand how governance arrangements are delivered.

Attendance at meetings in the year was as follows:

Trustee	Attendance	Out of a possible
James Passmore	6	6
Gill Clark	6	6
David Powell	5	6
Paul Vincent	6	6
Liz Townend	1	6
Rachel Alderman	4	6

REVIEW OF VALUE FOR MONEY

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

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

- Robust financial governance and budget management
- Value for money purchasing
- Reviewing controls and managing risk
- Challenging proposals and examining their effectiveness and efficiency
- Reviewing quality of curriculum provision and quality of teaching
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote
- Ensuring regular external building condition surveys are completed for all schools alongside a costed 3 year plan
- Appointing an external Health and Safety Consultant to ensure that all sites are safe for all pupils, staff and visitors
- Development of a Trust Environment strategy following the procurement of Heat Decarbonisation Reports for each school

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

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Pickwick Academy Trust for the period 1st September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and Financial Statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2022 to 31 August 2023 and up to the date of approval of the Annual Report and Financial Statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance Committee and subsequent reporting to the Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing (assets purchase or capital investment) guidelines
- Identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from MHA Monahans, Chartered Accountants and Business Advisors for the year September 2022 – August 2023. This option has been chosen because it was felt that an external company provides the necessary breadth of knowledge required for the size of the Trust.

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

- testing of approach to Risk management across the Trust, including the Risk Register.
- testing of the payroll process
- testing of Fixed asset controls.

External Health and Safety and GDPR provision audits were also completed for all schools during 2022/23 and support was provided to ensure that the Trust is compliant with VAT requirements.

On a termly basis, the internal auditor reports to the Board of Trustees, through the audit and risk committee on the operation of the systems of to help the committee consider actions and assess year on year progress.

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

All work completed by the Internal Auditors was completed within the necessary timescales and resulted in four medium priority recommendations and eleven low priority recommendations being received. All low priority recommendations have been addressed and the medium priority recommendations have been reviewed and will be actioned in 2023/2024.

REVIEW OF EFFECTIVENESS

As accounting officer, the chief executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Risk and Resources committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 29/11/2023 and signed on its behalf by:



R Ward
Chair of Trustees



J Passmore
Accounting Officer

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Pickwick Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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



JPassmore
Accounting Officer
Date: 14th December 2023

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



R Ward
Chair of Trustees
Date: 14th December 2023

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
PICKWICK ACADEMY TRUST**

OPINION

We have audited the financial statements of Pickwick Academy Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

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

OTHER INFORMATION

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

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

Our procedures to respond to risks identified included the following:

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

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

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

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

USE OF OUR REPORT

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



David Butler FCA DChA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 20 December 2023

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PICKWICK ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 February 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Pickwick Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Pickwick Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Pickwick Academy 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 Pickwick Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF PICKWICK ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Pickwick Academy Trust's funding agreement with the Secretary of State for Education dated 30 March 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

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

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

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

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

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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

Bishop Fleming LLP

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

Date: 20 December 2023

PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	172,863	(290,660)	4,149,258	4,031,461	137,874
Other trading activities	4	364,903	-	-	364,903	294,316
Investments	5	364	-	-	364	267
Charitable activities:	6					
Education		341,318	15,989,874	-	16,331,192	13,945,047
Total income		879,448	15,699,214	4,149,258	20,727,920	14,377,504
Expenditure on:						
Charitable activities		724,688	16,004,199	703,449	17,432,336	15,361,584
Total expenditure		724,688	16,004,199	703,449	17,432,336	15,361,584
Net income / (expenditure)		154,760	(304,985)	3,445,809	3,295,584	(984,080)
Transfers between funds	19	(81,413)	(192,192)	273,605	-	-
Net movement in funds before other recognised gains/(losses)		73,347	(497,177)	3,719,414	3,295,584	(984,080)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	27	-	1,097,000	-	1,097,000	6,093,000
Pension surplus not recognised	27	-	(749,000)	-	(749,000)	(87,000)
Net movement in funds		73,347	(149,177)	3,719,414	3,643,584	5,021,920
Reconciliation of funds:						
Total funds brought forward		1,268,632	376,720	23,078,340	24,723,692	19,701,772
Net movement in funds		73,347	(149,177)	3,719,414	3,643,584	5,021,920
Total funds carried forward		1,341,979	227,543	26,797,754	28,367,276	24,723,692

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 34 to 66 form part of these financial statements.

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07557894**

**BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	26,689,092	23,067,431
Current assets			
Stocks	15	239	1,723
Debtors	16	658,285	625,272
Cash at bank and in hand		2,621,393	2,385,489
		<u>3,279,917</u>	<u>3,012,484</u>
Creditors: amounts falling due within one year	17	(1,495,697)	(1,356,223)
Net current assets		<u>1,784,220</u>	<u>1,656,261</u>
Total assets less current liabilities		<u>28,473,312</u>	<u>24,723,692</u>
Creditors: amounts falling due after more than one year	18	(106,036)	-
Net assets excluding pension asset		<u>28,367,276</u>	<u>24,723,692</u>
Total net assets		<u><u>28,367,276</u></u>	<u><u>24,723,692</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	26,797,754	23,078,340
Restricted income funds	19	227,543	376,720
Total restricted funds	19	<u>27,025,297</u>	23,455,060
Unrestricted income funds	19	1,341,979	1,268,632
Total funds		<u><u>28,367,276</u></u>	<u><u>24,723,692</u></u>

The financial statements on pages 31 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



R Ward
Chair of Trustees
Date: 14th December 2023

The notes on pages 34 to 66 form part of these financial statements.

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	21	307,956	483,054
Cash flows from investing activities	23	(60,283)	(161,514)
		<hr/>	<hr/>
Cash flows from financing activities	22	(11,769)	-
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		235,904	321,540
Cash and cash equivalents at the beginning of the year		2,385,489	2,063,949
Cash and cash equivalents at the end of the year	24, 25	2,621,393	2,385,489
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 34 to 66 form part of these financial statements

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

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

1. ACCOUNTING POLICIES (continued)

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

Capital grants are recognised 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.

• **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 year it is receivable and to the extent the Academy Trust has provided the goods or services.

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 TAXATION

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

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

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS

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

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

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

Depreciation is provided on the following bases:

Long-term leasehold land	- Straight line over 125 years
Long-term leasehold buildings	- Straight line over 50 years
Furniture and equipment	- 10% Straight line
Computer equipment	- 20% Straight line

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

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 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. ACCOUNTING POLICIES (continued)

1.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. 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.

1.13 OPERATING LEASES

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

1. ACCOUNTING POLICIES (continued)

1.14 PENSIONS

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

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

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

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

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

1.15 FUND ACCOUNTING

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Investment income, gains and losses are allocated to the appropriate fund.

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
DONATIONS					
Transfer from local authority on conversion	137,633	(300,000)	3,955,096	3,792,729	-
Donations	35,230	9,340	21,145	65,715	33,093
Capital Grants	-	-	173,017	173,017	104,781
TOTAL 2023	<u>172,863</u>	<u>(290,660)</u>	<u>4,149,258</u>	<u>4,031,461</u>	<u>137,874</u>
TOTAL 2022	<u>30,631</u>	<u>-</u>	<u>107,243</u>	<u>137,874</u>	

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

4. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	74,393	74,393	66,763
Breakfast and after-school club	142,331	142,331	120,220
Supply insurance	83,299	83,299	22,073
Other	64,880	64,880	85,260
TOTAL 2023	<u>364,903</u>	<u>364,903</u>	<u>294,316</u>
TOTAL 2022	<u>294,316</u>	<u>294,316</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	364	364	267
TOTAL 2022	<u>267</u>	<u>267</u>	

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

6. FUNDING FOR THE ACADEMY TRUST'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DFE/ESFA GRANTS				
General annual grant	-	12,753,417	12,753,417	11,293,188
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	703,119	703,119	580,254
Universal Infant Free School Meals	-	426,937	426,937	381,952
Schools Supplementary Grant	-	333,942	333,942	132,083
PE & Sports Grant	-	226,215	226,215	82,229
Mainstream Schools Additional Grant	-	181,908	181,908	-
Trust Capacity Fund	-	18,632	18,632	200,688
Others	-	51,079	51,079	52,357
	-	14,695,249	14,695,249	12,722,751
OTHER GOVERNMENT GRANTS				
Local Authority Grants	-	954,136	954,136	644,910
Other	-	1,491	1,491	5,500
	-	955,627	955,627	650,410
Other income from the Academy Trust's educational activities	341,318	220,586	561,904	490,222
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Recovery Premium	-	71,907	71,907	55,734
School Led Tutoring	-	46,505	46,505	25,930
	-	118,412	118,412	81,664
TOTAL 2023	341,318	15,989,874	16,331,192	13,945,047
TOTAL 2022	315,308	13,629,739	13,945,047	

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
EDUCATION:					
Direct costs	11,150,967	449,036	1,121,310	12,721,313	11,157,200
Allocated support costs	2,048,868	920,908	1,741,247	4,711,023	4,204,384
TOTAL 2023	<u>13,199,835</u>	<u>1,369,944</u>	<u>2,862,557</u>	<u>17,432,336</u>	<u>15,361,584</u>
TOTAL 2022	<u>11,600,243</u>	<u>1,375,979</u>	<u>2,385,362</u>	<u>15,361,584</u>	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	<u>12,721,313</u>	<u>4,711,023</u>	<u>17,432,336</u>	<u>15,361,584</u>
TOTAL 2022	<u>11,157,200</u>	<u>4,204,384</u>	<u>15,361,584</u>	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	3,000	64,000
Staff costs	10,988,280	9,644,989
Depreciation	498,184	447,833
Educational supplies	424,457	357,116
Examination fees	9,700	13,124
Staff development	82,016	71,998
Other costs	269,844	191,175
Supply teachers	162,687	141,602
Technology costs	4,804	15,166
Educational consultancy	278,341	210,197
TOTAL 2023	12,721,313	11,157,200

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	2,000	27,000
Staff costs	2,048,868	1,813,652
Depreciation	201,596	167,729
Other costs	5,389	3,305
Recruitment and support	23,248	15,680
Maintenance of premises and equipment	347,528	344,429
Cleaning	314,200	311,152
Rent and rates	64,266	81,389
Energy costs	205,884	161,897
Insurance	124,773	117,282
Security and transport	24,893	12,344
Catering	696,971	572,133
Technology costs	316,549	330,613
Office overheads	138,944	104,087
Legal and professional	148,775	106,058
Bank interest and charges	3,931	426
Governance costs	43,208	35,208
TOTAL 2023	4,711,023	4,204,384

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	11,920	10,749
Depreciation of tangible fixed assets	699,780	615,562
Fees paid to auditors for:		
- audit	24,250	21,250
- other services	4,375	3,050

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

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	9,752,052	7,991,062
Social security costs	878,990	713,608
Pension costs	2,406,106	2,753,971
	13,037,148	11,458,641
Agency staff costs	162,687	141,602
	13,199,835	11,600,243

b. STAFF NUMBERS

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

	2023	2022
	No.	No.
Teachers	149	134
Administration and Support	302	225
Management	27	24
	478	383

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	117	108
Administration & Support	148	112
Management	24	22
	289	242

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

10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	6	6
In the band £70,001 - £80,000	5	2
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	2	1
	<u>2</u>	<u>1</u>

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £482,413 (2022 - £555,973).

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

11. CENTRAL SERVICES

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

- Strategic governance services
- School improvement
- Financial planning and management
- HR & Payroll
- Financial and administrative system
- Legal services
- Audit and internal assurance

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

A contribution is charged to schools based on 6% of the Academies General Annual Grant.

The actual amounts charged during the year were as follows:

	2023	2022
	£	£
Corsham Primary School	210,364	166,915
Aloeric Primary School	95,648	94,552
Ivy Lane Primary School	119,995	100,320
Queen's Crescent School	123,539	102,326
Ludwell Community Primary School	31,499	25,864
Winterslow CofE Primary School	58,621	48,906
Greentrees Primary School	136,743	112,492
Pitton CofE Primary School	22,914	22,618
Gillingham Primary School	60,908	-
TOTAL	860,231	673,993

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows: J Passmore: Remuneration £95,000 - £100,000 (2022: £90,000 - 95,000), Employer's Pension Contributions £20,000 - £25,000 (2022: £20,000 - £25,000).

During the year, retirement benefits were accruing to 1 Trustees (2022 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, expenses totalling £3,106 were reimbursed or paid directly to 1 Trustee (2022 - £NIL to 1 Trustee). These expenses related to travel.

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

13. TRUSTEES' AND OFFICERS' INSURANCE

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION				
At 1 September 2022	24,653,468	707,025	826,616	26,187,109
Additions	60,168	183,436	140,284	383,888
Acquired on conversion	3,941,222	-	-	3,941,222
Disposals	-	(8,467)	-	(8,467)
At 31 August 2023	<u>28,654,858</u>	<u>881,994</u>	<u>966,900</u>	<u>30,503,752</u>
DEPRECIATION				
At 1 September 2022	2,271,290	301,284	547,104	3,119,678
Charge for the year	498,184	80,609	120,987	699,780
On disposals	-	(4,798)	-	(4,798)
At 31 August 2023	<u>2,769,474</u>	<u>377,095</u>	<u>668,091</u>	<u>3,814,660</u>
NET BOOK VALUE				
At 31 August 2023	<u><u>25,885,384</u></u>	<u><u>504,899</u></u>	<u><u>298,809</u></u>	<u><u>26,689,092</u></u>
At 31 August 2022	<u><u>22,382,178</u></u>	<u><u>405,741</u></u>	<u><u>279,512</u></u>	<u><u>23,067,431</u></u>

15. STOCKS

	2023 £	2022 £
Finished goods and goods for resale	<u><u>239</u></u>	<u><u>1,723</u></u>

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

16. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	119,359	58,602
Prepayments and accrued income	441,120	464,244
Tax recoverable	97,806	102,426
	658,285	625,272

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other loans	12,195	-
Trade creditors	520,799	284,364
Other taxation and social security	197,680	165,645
Accruals and deferred income	765,023	906,214
	1,495,697	1,356,223

	2023 £	2022 £
Deferred income at 1 September 2022	412,073	326,869
Resources deferred during the year	359,896	412,073
Amounts released from previous periods	(412,073)	(326,869)
	359,896	412,073

At the balance sheet date the Trust was holding funds received in relation to grants from the ESFA and trips for the 2022/23 financial year.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other loans	106,036	-

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	1,268,632	879,448	(724,688)	(81,413)	-	1,341,979
RESTRICTED GENERAL FUNDS						
General Annual Grant	-	12,753,417	(12,557,354)	(167,012)	-	29,051
Pupil premium	200,247	703,119	(750,879)	(21,676)	-	130,811
UIFSM	-	426,937	(426,937)	-	-	-
TCaF	92,429	18,632	(111,061)	-	-	-
Other ESFA	21,891	931,356	(895,089)	-	-	58,158
Local authority grants	13,351	934,335	(944,886)	-	-	2,800
Other government grants	-	1,491	(1,491)	-	-	-
Catch up premium	41,165	-	(41,165)	-	-	-
Donations	7,342	9,340	(6,455)	(3,504)	-	6,723
Other restricted funds	295	220,587	(220,882)	-	-	-
Pension reserve	-	(300,000)	(48,000)	-	348,000	-
	376,720	15,699,214	(16,004,199)	(192,192)	348,000	227,543

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Assets						
transferred on conversion	17,298,223	3,955,096	(278,690)	-	-	20,974,629
Fixed assets purchased from GAG and other restricted funds	3,498,206	-	(266,423)	262,757	-	3,494,540
DfE/ESFA Capital grants	4,531	302,096	(85,576)	-	-	221,051
Government donated assets	2,271,002	-	(51,076)	-	-	2,219,926
Capital donations	-	21,145	(15,306)	-	-	5,839
Other capital grants	6,378	-	(6,378)	-	-	-
CIF loan	-	(129,079)	-	10,848	-	(118,231)
	23,078,340	4,149,258	(703,449)	273,605	-	26,797,754
TOTAL RESTRICTED FUNDS	23,455,060	19,848,472	(16,707,648)	81,413	348,000	27,025,297
TOTAL FUNDS	24,723,692	20,727,920	(17,432,336)	-	348,000	28,367,276

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

RESTRICTED FUNDS

The General Annual Grant (GAG) represents funding received from the ESFA during the period in order to fund the continuing activities of the Academy Trust.

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

Universal Infant Free School Meal (UIFSM) represents funding from the ESFA to cover the cost of providing free school meals to all pupils in reception, year 1 and year 2.

Trust Capacity Funds (TCaF) represents funding from the ESFA to help trusts develop their capacity and take on underperforming schools, particularly in education investment areas.

19. STATEMENT OF FUNDS (CONTINUED)

Other DfE/ESFA grants represents amounts received for PE and sports grant, rates relief, supplementary funding and setup grants provided by the ESFA to cover the cost of non-domestic rates for the period, teachers pay increases, MAT development and setup costs.

Local authority grants - represents funding received by the Local Authority to fund further support for students with additional needs.

Other government grants represents funding received by the Government to fund further support for students.

Catch-up premium - represents funding from the ESFA to help children and young people catch up on missed education caused by Covid-19.

Donations - represents amounts gifted to the Trust for a specific purpose and contributions for school trips

Other restricted funds represents all other funded which is restricted in nature.

Pension reserve represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust. The Academy Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

FIXED ASSET FUNDS

Fixed assets transferred in represent the buildings and equipment donated to the school from the Local Authority on conversion to an Academy and amounts transferred in existing Academies in to the Trust.

Capital Expenditure from GAG and other donations represents capital purchases made from the General Annual Grant and other donations received for fixed assets.

DfE/ESFA Capital grants represents Conditional Improvement Funding (CIF) and Devolved Formula Capital funding from the ESFA to cover specific building projects, as well as the maintenance and purchase of the Academy Trust's assets.

Government donated assets - represents assets donated to the Trust from the Local Authority.

Other capital grants represents funding received from the local authority, donations and other third parties to be spent on capital equipment and projects.

OTHER INFORMATION

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

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	1,056,322	640,522	(428,212)	-	-	1,268,632
RESTRICTED GENERAL FUNDS						
General Annual Grant	-	11,293,188	(11,080,592)	(212,596)	-	-
Pupil premium	162,485	580,254	(542,492)	-	-	200,247
UIFSM	-	381,952	(381,952)	-	-	-
TCaF	-	200,688	(108,259)	-	-	92,429
Other ESFA	101,718	348,333	(428,160)	-	-	21,891
Local authority grants	19,314	644,910	(650,873)	-	-	13,351
Other government grants	-	5,500	(5,500)	-	-	-
Catch up premium	72,508	-	(31,343)	-	-	41,165
Donations	9,067	28,045	(29,770)	-	-	7,342
Other restricted funds	295	146,869	(146,869)	-	-	295
Pension reserve	(5,094,000)	-	(912,000)	-	6,006,000	-
	<u>(4,728,613)</u>	<u>13,629,739</u>	<u>(14,317,810)</u>	<u>(212,596)</u>	<u>6,006,000</u>	<u>376,720</u>

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

19. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Assets						
transferred on conversion	17,641,185	-	(342,962)	-	-	17,298,223
Fixed assets purchased from GAG and other restricted funds	3,324,205	-	(223,055)	397,056	-	3,498,206
DfE/ESFA Capital grants	88,126	70,877	-	(154,472)	-	4,531
Government donated assets	2,320,547	-	(49,545)	-	-	2,271,002
Capital donations	-	36,366	-	(29,988)	-	6,378
	<u>23,374,063</u>	<u>107,243</u>	<u>(615,562)</u>	<u>212,596</u>	<u>-</u>	<u>23,078,340</u>
TOTAL RESTRICTED FUNDS	<u>18,645,450</u>	<u>13,736,982</u>	<u>(14,933,372)</u>	<u>-</u>	<u>6,006,000</u>	<u>23,455,060</u>
TOTAL FUNDS	<u><u>19,701,772</u></u>	<u><u>14,377,504</u></u>	<u><u>(15,361,584)</u></u>	<u><u>-</u></u>	<u><u>6,006,000</u></u>	<u><u>24,723,692</u></u>

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

19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£	£
Corsham Primary School	295,870	382,529
Queen's Crescent Primary School	337,986	273,435
Aloeric Primary School	(58,695)	(25,851)
Ivy Lane Primary School	101,312	226,357
Ludwell Community Primary School	(73,773)	(100,732)
Winterslow C of E Primary School	114,306	134,130
Greentrees Primary School	260,558	301,752
Pitton C of E Primary School	54,567	49,265
Gillingham Primary School	158,074	-
Central	379,317	404,467
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,569,522	1,645,352
Restricted fixed asset fund	26,797,754	23,078,340
	<hr/>	<hr/>
TOTAL	28,367,276	24,723,692
	<hr/> <hr/>	<hr/> <hr/>
		Deficit
		£
Aloeric Primary School		(58,695)
Ludwell Primary School		(73,773)
		<hr/> <hr/>

Aloeric Primary School have been working hard to reduce the inherited deficit of the school and have provided a healthy in year surplus on unrestricted reserves during 2022/2023. Unfortunately, the unsupported pay award for 2022/2023 has increased the overall deficit on unrestricted reserves by £18,385. Pupil numbers for future years are, however, forecast to increase due to building developments in the area and the submitted three-year plan for the trust shows an overall surplus to be achieved by the end of 2025/2026.

Ludwell Primary School also provided an in-year surplus on unrestricted reserves during 2022/2023, significantly reducing the non-premises element of the brought forward deficit position even though they again were impacted by the 2022/2023 pay award. The trust will continue to support the school to ensure that they can continue to reduce both the non-premises and premises elements of the deficit, whilst ensuring quality of provision for the pupils and supporting the school to increase its pupil numbers.

The overall trust reserves position is strong enough to support this approach.

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

19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
Corsham Primary School	2,366,917	439,425	139,248	621,137	3,566,727	3,382,783
Queen's Crescent Primary School	1,336,975	179,586	60,357	319,135	1,896,053	1,958,751
Aloeric Primary School	1,387,410	237,511	95,489	306,217	2,026,627	1,936,495
Ivy Lane Primary School	1,538,302	333,450	135,786	301,992	2,309,530	2,121,820
Ludwell Community Primary School	374,581	87,529	34,310	106,404	602,824	554,232
Winterslow C of E Primary School	644,162	69,411	57,446	169,834	940,853	928,213
Greentrees Primary School	1,763,733	197,875	107,800	411,846	2,481,254	2,431,817
Pitton C of E Primary School	287,113	50,428	27,152	74,812	439,505	476,924
Gillingham Primary School	1,009,196	190,566	52,707	99,442	1,351,911	-
Central	442,578	262,687	82,735	329,272	1,117,272	954,987
ACADEMY TRUST	11,150,967	2,048,468	793,030	2,740,091	16,732,556	14,746,022

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

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	26,689,092	26,689,092
Current assets	1,224,535	1,828,489	226,893	3,279,917
Creditors due within one year	11,408	(1,494,910)	(12,195)	(1,495,697)
Creditors due in more than one year	106,036	(106,036)	(106,036)	(106,036)
TOTAL	1,341,979	227,543	26,797,754	28,367,276

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	23,067,431	23,067,431
Current assets	1,268,632	1,732,943	10,909	3,012,484
Creditors due within one year	-	(1,356,223)	-	(1,356,223)
TOTAL	1,268,632	376,720	23,078,340	24,723,692

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

21. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<u>3,295,584</u>	<u>(984,080)</u>
ADJUSTMENTS FOR:		
Depreciation	699,780	615,562
Capital grants from DfE and other capital income	(323,241)	(104,781)
Interest receivable	(364)	(267)
Loss on disposal of tangible fixed assets	3,669	-
Defined benefit pension scheme cost less contributions payable	43,000	821,000
Defined benefit pension scheme finance cost	5,000	91,000
Decrease in stocks	1,484	-
Increase in debtors	(33,013)	(26,627)
Increase in creditors	257,279	71,247
Net assets received on conversion	(3,641,222)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u><u>307,956</u></u>	<u><u>483,054</u></u>
22. CASH FLOWS FROM FINANCING ACTIVITIES		
	2023 £	2022 £
Repayments of borrowing	(11,769)	-
NET CASH (USED IN)/PROVIDED BY FINANCING ACTIVITIES	<u><u>(11,769)</u></u>	<u><u>-</u></u>
23. CASH FLOWS FROM INVESTING ACTIVITIES		
	2023 £	2022 £
Dividends, interest and rents from investments	364	267
Purchase of tangible fixed assets	(383,888)	(397,056)
Capital grants from DfE Group	323,241	235,275
NET CASH USED IN INVESTING ACTIVITIES	<u><u>(60,283)</u></u>	<u><u>(161,514)</u></u>

**PICKWICK ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023	2022
	£	£
Cash in hand and at bank	2,621,393	2,385,489
TOTAL CASH AND CASH EQUIVALENTS	2,621,393	2,385,489

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022	Cash flows	New loans	At 31 August 2023
	£	£	£	£
Cash at bank and in hand	2,385,489	235,904	-	2,621,393
Loans due within 1 year	-	11,769	(23,964)	(12,195)
Loans due after 1 year	-	-	(106,036)	(106,036)
	2,385,489	247,673	(130,000)	2,503,162

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

26. CONVERSION TO AN ACADEMY TRUST

During the year one school converted from the local authority to join Pickwick Academy Trust. The fair value of identifiable assets and liabilities for each school has been listed below. In addition, the LGPS Pension deficit for the school totalling £300,000 was transferred to Pickwick Academy Trust.

On 1 December 2022 Gillingham Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Pickwick Academy Trust from Dorset Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
TANGIBLE FIXED ASSETS				
Leasehold land and buildings	-	-	3,941,222	3,941,222
CURRENT ASSETS				
Cash/(loan) - representing budget surplus/(deficit) on LA funds	137,633	(300,000)	13,874	(148,493)
NET ASSETS/(LIABILITIES)	<u>137,633</u>	<u>(300,000)</u>	<u>3,955,096</u>	<u>3,792,729</u>

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

27. PENSION COMMITMENTS

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

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

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

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

The next valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £1,103,796 (2022 - £1,183,971).

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

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

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

27. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,105,000 (2022 - £799,000), of which employer's contributions totalled £907,000 (2022 - £658,000) and employees' contributions totalled £ 198,000 (2022 - £141,000). The agreed contribution rates for future years are 23.5 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.45
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	3.50	4.25

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	20.6	21.7
Females	23.9	24.2
RETIRING IN 20 YEARS		
Males	22.0	22.6
Females	25.6	26

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Discount rate -0.1%	168	192
Mortality assumption - 1 year increase	279	310
CPI rate +0.1%	157	16
Salary increase + 0.1%	-	177

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

27. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	5,144,000	4,185,000
Bonds	2,524,000	2,403,000
Property	1,259,000	1,163,000
Cash and other liquid assets	182,000	-
Investment funds	49,000	-
Other	106,000	-
TOTAL MARKET VALUE OF ASSETS	9,264,000	7,751,000

The actual return on scheme assets was £139,000 (2022 - £318,000).

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

	2023	2022
	£	£
Current service cost	950,000	1,479,000
Interest income	(369,000)	(128,000)
Interest cost	374,000	219,000
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	955,000	1,570,000

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

	2023	2022
	£	£
AT 1 SEPTEMBER	7,751,000	12,503,000
Transferred in on existing academies joining the trust	884,000	-
Current service cost	950,000	1,479,000
Interest cost	374,000	219,000
Employee contributions	198,000	141,000
Actuarial gains	(1,524,000)	(6,542,000)
Benefits paid	(205,000)	(49,000)
AT 31 AUGUST	8,428,000	7,751,000

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

27. PENSION COMMITMENTS (CONTINUED)

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

	2023	2022
	£	£
AT 1 SEPTEMBER	7,751,000	7,409,000
Transferred in on existing academies joining the trust	584,000	-
Interest income	369,000	128,000
Actuarial losses	(427,000)	(449,000)
Employer contributions	907,000	658,000
Employee contributions	198,000	141,000
Benefits paid	(205,000)	(49,000)
Derecognition of surplus	(749,000)	(87,000)
AT 31 AUGUST	8,428,000	7,751,000

The Academy Trust has an unrecognised surplus of £749,000 (2022 - £87,000) in respect of its defined benefit pension scheme as it does not expect to recover the plan surplus either through reduced contributions in the future or through refunds from the plan.

28. OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
Not later than 1 year	9,644	10,346
Later than 1 year and not later than 5 years	19,098	17,724
	28,742	28,070

29. MEMBERS' LIABILITY

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

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the Trust paid £2,135 (2022: £377) to Digital Wonderlab Limited which the brother of James Passmore, CEO and Trustee, is a director. At the year end the amount owed to Digital Wonderlab Limited was £Nil (2022: £Nil).

During the year the Trust also paid £1,150 (2022: £620) Rachel Alderman, Trustee, trading as Lavender Music. At the year end the amount owed to Lavender Music was £Nil (2022: £Nil).

All transactions were on normal commercial terms.